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Cuba

Havana Notes Aristide Followers Blame Prime Minister

FL1512164893 Havana Radio Reloj Network in Spanish 1500 GMT 15 Dec 93

[Text] Partisans of deposed Haitian President Jean-Bertrand Aristide are openly accusing his prime minister of undermining the plans to restore democracy to the long-suffering Caribbean country. Aristide's former ambassador in New York [as heard], Ben Dupuy, argues that the latest exchanges of correspondence between the president and the prime minister prove that the two are not on the same wave length as regards to the chief of state's return to power. Dupuy maintains that after threatening resignation today, 15 December, Malval is seeking to stay on as a super-prime minister [certain powerful ministers under Jean-Claude Duvalier were known as super ministers], responsible neither to Haiti's president nor to its parliament.

Although Robert Malval is trying to convene a convention of national salvation, Dupuy argues that once Malval becomes acting premier, Haiti will suffer a second coup.

Castro Speaks at Closing of European Solidarity Meeting

FL1512183393 Havana Cuba Vision Network in Spanish 0137 GMT 14 Dec 93

[Speech by President Fidel Castro at closing ceremony of European Solidarity With Cuba meeting in Havana on 11 December—recorded]

[Text] I guess this is being translated—although I have been left with doubts here as to the languages you speak. [passage indistinct] They improvised in this theater belonging to the school a real international lecture hall, right?

All right: It is certainly not that I am arguing about participating or refusing to participate in this event. I must tell you what is really happening. The month of December is always a terrible month because of the great number of activities that end up taking place, activities of all kinds. Many of these activities are, of course, domestic activities, a great number of events that are held [words indistinct] of meetings of the National Assembly [words indistinct] meetings of the Science and Technology Forums, commemorations, construction works that are completed; and, to sum it up: We have had quite a lot of work—to the point where we find ourselves obliged to participate in something daily, sometimes without even knowing how we are going to do so because some of the activities take place simultaneously. And, of course, one cannot take up all the space in our newspaper, given the scarce amount of paper we have available. Indeed, I used to make longer speeches [laughter], and have now gotten in the habit of making them brief. [laughter]

A number of different factors have contributed to this. Take, for example, the conference on ecology in Rio de Janeiro. One is given seven, six minutes, at all those meetings. And I have had to become an expert at making brief speeches [chuckles]. Forced to, right? But I broke a record: In Rio de Janeiro I spoke for just five minutes! [laughter]

I think I was lucky enough to have been able to say a number of things in those five minutes, as far as I was able to tell there, from the opinion of (?the gathering).

I observed everyone else. Some spoke for 8 minutes; others for 12; others for 16; and one person spoke for 23 minutes. [chuckling] So they did not respect the rules. I myself did my job properly there.

Now, given the scarcity of paper and knowing that many of the things I say...[pauses] not these things. No, here I am speaking [words indistinct].

I also have had to reduce the length of the speeches, and it is much better that way—for me, for the newspapers, and for the audience. We all come out ahead that way!

People were talking to me about your event. There was an event, a meeting, of European Parliament deputies going on. [words indistinct] I was to have met with them.

There also was the movie event, the New Latin American Film event there. Last night I had to meet with them, too. That makes for a lot of hours. A reception was organized for them and there were about 800 people there. So, really, there has not been enough time. Corrieri would send me emissaries, as would Balaguer. Everyone would tell me you were waiting for me to at least drop by here, and [words indistinct] (?really) on the one hand, other occupations; and on the other hand, your programs [passage indistinct] And I do not have any [words indistinct] participating in the historic date being commemorated, ranging from Doctors and Science Day, on the third; to the day Granma landed, on the second; to Maceo's death on the seventh; to the Central American and Caribbean Games, [passage indistinct] the slightest participation in that. But every time there is an event, everyone pressures me tremendously to participate in the activities.

Many of my comrades want me to do part of their work for them. It is their job! But here this is really not the case. I did not even need to be reminded that you were here. I think I have enough elements with which to judge and be able to appreciate how valuable and how meaningful [words indistinct] have crossed the Atlantic, have mobilized and have come to Cuba to organize this event of solidarity with our country at a moment when the country so greatly needs it. It was my most elemental duty to meet with you, even if only for a few minutes.

I have had news of how the event has been unfolding and I know that many comrades have participated, and that they have provided information on very varied and diverse subjects.

I did not have the privilege or opportunity to listen to these comrades, but I think they spared me from having to discuss many issues on this occasion. We still have Robertico's [Foreign Minister Roberto Robaina] closing speech which will surely add other things.

On the way here, I was thinking: What to tell the delegates to this solidarity meeting? What problem should I discuss that has not been discussed? Of course, not the problems of Cuba; I believe you have heard enough of Cuba's problems in the last few days.

The meeting with the European parliamentarians was red hot because not even in the European Parliament can they discuss things with the freedom they discussed them here, including the questions raised, of all kinds, and issues. They even put us on the bench, put us through a Nuremberg trial [laughter] and who knows what else happened there. [applause]

[Words indistinct] with a few friends there. The international foreign press was there. It was an opportunity to show the fervent respect they feel and the concern for rights and liberties. You can imagine what it means to have the entire Western propaganda machinery aimed at one country. You can imagine what is entailed following the collapse of the socialist bloc; there is only one enemy left for the empire—us, alone. Who could have told us that we would have had this privilege. How could our predecessors, the generations that began the struggle for our country's independence, Marti, Maceo, and so many others, imagine that someday the honor would fall on Cuba, the difficult honor—it has to be said—of having to withstand alone such an immense burden of pressure and hostility, such an immense burden of blockade—alone—without the least ethical justification.

I was asked....[pauses] In the meeting with the parliamentarians there was a reporter who had just interviewed the pope. Just by chance I was next in line. I got the honor of being next, following the pope. The pope had never granted an interviewed in 15 years. [applause] The reporter asked me: Could we meet tomorrow, perhaps? I was already caught and could not get away. The European parliamentarians told me that he was a very famous reporter. You can imagine: Following an interview with the pope he became even more famous. He is an Italian of Polish descent, like the pope. I told him: You got lucky, your background helped to get that interview. [laughs] He must be a truly pleasant individual. He told me: Tomorrow? I told him: No, tonight, following this meeting I will meet with you. He asked: For half an hour? For half an hour.

He asked when I thought the hostility, the blockade might end? In Kennedy's first or the second term? [sentence as heard] I had told him the old history of how every president thinks about the second term the moment he is elected for the first. [Words indistinct] a second term when he will not have the commitments and worries, after creating a very hostile public opinion which is beginning to change of course. This is what is so absurd about the entire policy of that country against us.

Now they are afraid of that public opinion and above all [words indistinct] the important influence from immigration, the counterrevolutionary immigration. Although a great part of the immigration was economic. Often times, the excuse of being against the Revolution was used to get free entry. Cuba is the only country in the world whose citizens can go to the United States without asking for a visa. The consulate denies them visas but gives it to them with great ceremony once they arrive in the United States, no matter who they are, even individuals who might have done despicable things here. These individuals are entitled to residency status that no other country in the world gets.

At the Mexican border, however, the United States—inside Mexican territory, because all that was Mexican territory before it was taken away from them—has created a Maginot Line, or a new Berlin Wall. Despite this, I believe 1 million Mexicans cross the border illegally. It is dark story. Mexicans, Haitians, everyone else is deported. Cubans serve as propaganda material and are not [words indistinct]. They do not even respect their own laws in their policy of hostility against Cuba.

I was telling this reporter that Cuba is a small Caribbean country. It is not a large country with a gigantic population like China. [passage indistinct] does not have large resources. [Words indistinct] Therefore, if it is seen from the economic point of view, it would never be of great interest. We would have to analyze things from the point of view of principles.

I was stressing that they do not have an ethical view of the issue toward Cuba because there is no way that what is done against us can be justified, especially right now when the socialist bloc has collapsed. They no longer have the excuse of the threat of communism, no longer have any kind of argument to try to justify it. They have none. They do it simply because they want to do it, regardless. They want to rule us, want to impose on us a system of their choosing.

In other words, under this situation, the struggle and life are truly hard for us. We cannot harbor any expectations. The only expectation we can have is the struggle of our people and the peoples of the world, the pressures of the peoples of the world, the increased awareness that what that powerful nation does against us is not only criminal and unjustified but ridiculous.

They criticize us for not having this or that. It is like strangling someone, hanging someone from a tree, and then criticizing him for not breathing. [laughter, applause] This is what they do to us. This is why I am not going to speak long to you.

As I mentioned to the European parliamentarians, when I met with them, I knew they had discussed every issue, and I told them: I am not going to speak about Cuba. I told them: Tell me about Europe. How are things going? What plans exist? How is integration going to be achieved? What does each thing being done entail? I also was interested in the measures that are going to be taken now to reach an agreement on the Uruguay Round on tariffs. What accords had been reached with the Japanese and the United States?

In other words, I was interested in global issues. It was like saying: We have discussed Cuba enough. Let us discuss the world, strategic, vital issues. I truly say this because I am greatly concerned about the world's future at the rate things are going. I did not want to talk about Cuba's interests. I asked them what were they going to do in agriculture. What solutions? What measures? I told them: I am not going to ask about sugar because it would be a little selfish, at a time when the world faces so many problems, for us to worry and discuss what is going to happen with our sugar. How is sugar—a very important element in our economy—going to fare in [words indistinct] projections, developments of the international situation. I told them I was not interested in that. I was interested in food production. What was Europe's view on food production in the world. I told then that I am greatly concerned with all this.

It seems to me that we are experiencing one of the most truly difficult times in mankind's history. So much has been said about the disappearance of the nuclear holocaust or war, but unfortunately this danger has not disappeared. The number of countries with nuclear weapons has increased. [Words indistinct] how is all this going to end? The risks for the integration of Russia are real. Everything that has unfortunately happened in that area of the world represents danger of internal conflict and even nuclear conflicts. Who knows? Form this point of view, what has been gained in terms of security is not much. Although there have been gains in the reduction of strategic weapons, and we could say that great progress has been made because before they could eliminate mankind 20 times over, but now they can only kill it 10 times over. The nuclear danger has decreased, but they can still kill mankind 10 times over without nuclear weapons. They can kill mankind 10 times over with what is happening to the environment and the phenomena that are taking place in the world.

According to what the parliamentarians told me, one of them explained that—he was better versed on this—[words indistinct] has tried to reduce the [words indistinct] arable land, kill I do not know how many million cows. In a hungry world, a world which a few days ago had 5.541 billion inhabitants and which in six years will have 6 billion, in a hungry world where the population increases by 1 billion people every 10 years—something never before seen ...[pauses] In 1900 there were 1.6 billion people and now there are the number I just mentioned. It will have 6 billion. In one century alone, the population will expand approximately three times more than in tens of millions of years. This is unbelievable.

The population is not growing where the wealth is concentrated, where there is a certain relative abundance. It grows where poverty is concentrated and where the worst cases of erosion of the land, expansion of the deserts, etc., is taking place. To that world, the solution that globalization of the economy, neoliberalism, and the imposition of blind market laws are advocating is to kill cows, dairy cows where million of children are starving to death from lack of milk.

Is the solution to reduce the agrarian land area when we have all these famines [words indistinct]? Is it rational to do this? Is this the world they are offering mankind for the future? I told them that since they want to globalize everything, the world economy, the unimagined kingdom of the corporations [words indistinct] engaged in a fierce competition like never before in history. New phenomena are taking place in a world moving toward blocs, powerful, very wealthy economic blocs, where transnationals have more power daily. In the same measure that the economic power of governments weakens, the power of transnationals increase, as well as their decision and political power.

They have globalized politics and have taken upon themselves the right of intervening in any country under any pretext, and have a UN Security Council at the service of the most powerful nation, a Security Council that follows the interventionist policies drafted for it. They even do things such as bringing food with tanks, like they did in Somalia. This cannot be the solution because someday the entire African continent might end up like Somalia, the entire continent at the rate it is going.

It can almost be predicted when these phenomena are going to take place. Are we going to solve world hunger by killing the people with guns? Hunger has killed many people in Somalia but since the U.S. troop and foreign troop intervention, beginning with the U.S. troops, 10,000 Somali men, women, and children have been killed—we can add—in a few weeks, rather than in a few months. In other words, they have globalized politics and want to establish a global police state.

I say: Why not globalize solutions to the economic problems [words indistinct] instead what is globalized is interventions, the empire of the transnationals but not the solutions to the problems because the world they seek to establish has no place for the Third World. In other words, there is no place for three-fourths of mankind. They are designing a world for 1 billion people and the most appalling tragedy for 5 or 6 billion people.

Within 25 or 39 years the number of people in the world might be eight or nine billion, and it continues to grow. The population is not growing in those countries with relative abundance. I call it relative abundance because there is great abundance for many and there are always

many who do not enjoy any abundance. It is an unethical world, unencumbered by feelings toward mankind. The people who advocate this philosophy do not care at all for ethical issues. All the arguments are technical and based on the economy [words indistinct] especially regarding facts such as those of reducing under such circumstances the arable land and killing cows. In other words, they cannot defend this. This is undefensible. It is irrational. It is absurd for a mankind which they want to globalize.

Of course, there are very serious problems that make this picture more complex than ever before in history—real, objective environmental problems. One goes to sleep and awakes hoping scientists are wrong. According to every projection, the prospects are dire and there is great inability to change it. They ought to also globalize the solution of environmental problems or the fight for [words indistinct] if today [words indistinct] of all the accords of that meeting, of an incredible selfishness. [applause]

There was a great concern there. We saw many countries there that fear disappearing soon. Many state islands with small land surfaces will disappear if the sea rises four or five meters.

These problems are truly dramatic when the data is analyzed on how carbon dioxide in the atmosphere is increasing year after year. How many parts per million where there 100 years ago? How many are there now? How many will be there in another 20 or 30 years? We are beginning to witness physical phenomena such as global warming and climate changes. In this short period of history—since the beginning of the Revolution—we have already observed in Cuba consequences of climatic changes that are truly disconcerting.

There are droughts during the rainy season, heavy rain during the dry season, stronger hurricanes, and sea penetrations. In 1992 we experienced a massive sea penetration. In 1993, a year had not gone by when we had an even greater sea penetration—two years in a row. The second one was the highest ever recorded. Devastating climatic changes are already beginning to take place. You can imagine when the sea penetrates a significant portion of the city's coastal area as result of these new phenomena.

Nine out of the last 10 years have been the hottest in history. This verifies the global warming projections. The results of global warming have been studied mathematically. What will happen when the atmosphere reaches certain temperatures, what happens to the polar caps? And not only to the polar caps [words indistinct] but also the volume of water increases at higher temperatures. [Words indistinct] is it being said that the increase will possibly be five or six meters in the next 50 years. They are not talking centuries. They are talking a generation's lifetime. What problems are we going to encounter in such a short period of time?

This is related to an incredible demographic explosion. [passage indistinct] The Chinese have been conducting a great effort in the last few years and have managed to lower the growth rate, but their population continues to increase by 16 million people a year. They have almost 1.2 billion people. In 25 years, well, in less than 25 years, China will have 1.5 billion people.

India, a neighboring country, will soon have a similar amount of people. By the year 2025, these two countries alone will have 3 billion people. Of course, their growth also generates more pollution, but how can this be avoided if the solution of the economic, social, and environmental problems is not globalized. They have to live, have to develop. [Words indistinct] is imposed by the growth in population. They need increasing amounts of fertilizers, energy, need to consume more fuel in order to reach an extremely modest standard of living.

The per capita income of India's population is $300 or $400. Compare this with Europe's, which is between $20,000 and $30,000. You cannot tell these countries not to develop.

What might be the solution to these problems? [Words indistinct] and India, but there are countries such as Bangladesh that have today over 100 million people and soon will have over 200 million, and it is surrounded by China, India, and the Himalayas. If the water level rises as result of global warming, where are those tens of millions of people going to go? A good portion of their land surface would be lost.

I am not even mentioning Africa. What problems await tomorrow's world? The problems do not end with carbon dioxide, there is the problem with the ozone layer. It is not only a matter of climate changes but also of the disappearance of the protection the atmosphere for mankind caused by the amounts of CFC, chlorofluorocarbon—products with CFC. The CFC released today will reach the ozone layer in 17 or 18 years with disastrous effects. On this, the industrialized countries have reached an agreement to take certain measures. By the year 2000 they expect to have changed those products, but after the year 2000 all the CFC released for decades will continue to reach the ozone layer. There are the problems with methane. There is the problem with acid rain. These are serious problems, not things invented by scientists to scare people.

Where will the people from Bangladesh go to live? To China? To India? To Mount Everest? These are real problems and no one is talking about them. Well, there is talk but in a different sense. The say: These are the problems. However, they do not speak of solutions.

Is it perhaps that neoliberalism is going to solve all these problems? Is the globalization of the economy, as selfish as it is, going to solve these problems? The difference between a Bangladesh citizen with a gross per capita income of $170 and a Swiss citizen with a gross per capita income of almost $34,000 is more than 200-fold. Many years ago the United Nations stressed the need to

begin to reduce this abyss between wealthy developed countries, the so- called countries of the north and the rest of the world. This difference does not end, stall, or drop. This difference, unfortunately, [words indistinct] per year.

Comrades, with this I want to say....[pauses] Friends, I believe that in this time and world we are not only friends but also comrades because we have to confront all these issues together. These are truly serious, serious problems next to which our problems are even insignificant. The problems of Cuba are a very small part of the problems of mankind. Under these conditions: Is what is being done against us fair? Is it logical? Does it make sense?

For many years, Cuba has been fighting for the Third World at the United Nations, independent of our interests; defending issues that many times went against our national interests. I can cite an example: Cuba immediately supported the campaign against smoking. However, tobacco is one of Cuba's most important sources of hard currency. We did not hesitate to support the global health campaign because it was in the interest of mankind's health. And like this, there are many other things for which Cuba has waged a consistent battle all through the Revolution. We have been preventing problems. We have been foreseeing them; unfortunately, they are becoming ever greater realities.

Cuba has made a great international participation in the struggles of other peoples against colonialism and oppression. Today, there is joy in the world because apartheid is about to end. [Words indistinct] in that great victory of the African peoples, the Cuban effort was a factor. In attaining this victory, Cuban lives were lost and blood was shed in Angola fighting against South Africa. [applause] The defeat of South Africa's racists was needed to accelerate the liberation process. It would have arrived one day, sooner or later, but our effort and blood helped speed it up. This is well known by our friends and comrades in the African National Congress: the significance of Cuba's efforts toward that goal.

No other country fought. What did they do with South Africa? They armed it to its teeth. What did they do with South Africa? They allowed it to have nuclear weapons. I was recalling that several years ago there was talk of an explosion, a blast recorded by U.S. satellites. It was a nuclear test, but nothing else was said about it. Are we to believe that the United States was removed from what was happening in South Africa? The Angolan war was already going on. Twice we had to fight against South Africans in Angola: first in 1975 and later during the final period. We risked everything there. We made a supreme effort possible only through the generosity of our people's will to fight. More than 50,000 men were involved in the final phase, when we could not afford to risk being weak because we might experience defeat. This happened so many thousands of miles away and when our troops were advancing toward Namibia's border in the fight against the South Africans; we were aware they might have nuclear weapons. Today, it is known that they had eight nuclear bombs. Yet even that would not have stopped us.

This is to show you how much hypocrisy there is in global politics. Recently, they almost declared war on the DPRK, not because it has nuclear weapons but because it disagreed with that nonproliferation accord, because it rejected it. They have been threatened with war, but the South Africans were helped and tolerated and silence was maintained.

Other evidence of that hypocrisy was recently published. The United States conducted more than 200 secret nuclear tests, more than 200 tests in past years. What cynicism. Such revelations are made every so often.

A few years ago the Senate was discussing the assassination attempts made on my life by the Central Intelligence Agency, a U.S. government institution [words indistinct] the CIA itself—or I do not know what other institution—spoke of these attempts as if they were something great and they declassified some of these documents. They talked about how they planned the attempts, how they carried them out, and how they elaborated the plans. Well, all this was done without paying me any compensation. [crowd laughs, applauds]

They have organized dozens and dozens of plans. Many times millions of dollars were [words indistinct] supposedly, it would be so much money that I would have some left over. [chuckles] They were not supposed to pay me anything because I did not do anything on my own; but to the country, they were. Back then, we did not know so much about international laws or we could have protested this when they came up with all the evidence during the Senate hearings. I believe that under U.S. law the leaders and those that do this go unpunished and can commit all types of crimes. In other words, there is a great deal of hypocrisy in all this.

I mention this to contrast Cuba's foreign policy over the years. They have been years of struggle in support of other peoples. I can assure you that very few countries have been so giving, selfless, and altruistic in international solidarity with other peoples. Today we can say this and we continue to practice it. To this day in many countries there are Cuban doctors working for free, despite the special period. Despite the special period, we have not suspended our cooperation with the children of Chernobyl. [applause]

Just look at how this small Caribbean country, blockaded by the United States and in the special period, continues to extend aid. This country has given more help to the victims of the Chernobyl disaster, 10 times more than the help of the rest of the countries of the world combined. Because in some countries they gave a one-week vacation to some of the children. How did the United States help the victims of the Chernobyl disaster? They invited some of these children to Disney World. They took them on an outing, a vacation. It was nothing serious. That tragedy moved us and it was regrettable

that the USSR did not do more for them. They were not given any treatment. If we have a disaster, such as the one that recently happened on the eastern side of the country where thousands of homes were destroyed, everyone immediately goes there, despite the difficulties, to help those who suffered the consequences of the disaster.

We are used to this. We have developed an awareness. We provided aid when there were similar disasters in Central America, even in governments with which we did not have relations.

I give you another example. Several years ago, an earthquake killed approximately 70,000 people in Peru. We had no diplomatic relations with Peru. Our people made 100,000 blood donations, 100,000 blood donations in just eight or 10 days to help the Peruvian people. So all these ideas and worries over the situation of the world, the Third World specifically, are very close to us.

Today we have said that Cuba's main internationalist role is to preserve its independence and Revolution, and the achievements of the Revolution. [applause] We consider this an internationalist duty because we have the deep conviction that we have acted properly and justly. Our actions are based on principles. This policy has been applied internally and externally.

We have not changed our rules since we were at war, where not one prisoner was mistreated. That attitude has been maintained to this day and will continue [words indistinct] [applause] because we have been educated in the fight against injustice, abuse, crime, and tyranny. The awareness we have achieved we maintain as no other revolutionary process has been maintained. This is well known to all and it has happened in each of the revolutions, except in this one. That is the objective truth that stands above the mountains of calumny that have been written against our country.

This is the only country in which, even during a special period, you will not see pictures of misery like those of children and people in many Latin American and Third World countries. There have never been death squads in this country. There have never been people missing in this country. There has never been a assassination [words indistinct] and anything contrary to this could never be proven. [applause]

Nevertheless, our enemies claim they are concerned over human rights to [words indistinct]. What did they do in Argentina, where according to estimates anywhere from 10,000 to 30,000 people disappeared? They just vanished. No one even knows where the bodies are. Often, bodies were thrown into the ocean with weights. Children were taken from their mothers. They were just taken from them. The children of these victims were distributed. That is why, later on, associations of grandparents such as the Plaza de Mayo reclaimed their grandchildren. [applause]

These mothers lost their children and grandchildren. This had never happened in history. Relations were never broken, even in occupied Europe under Hitler, where so many atrocities were committed. To the contrary, some of the most loving ties that you could ever imagine existed between the United States and the Argentine military government. They used them.

We have spoken much about Nicaragua and the dirty war. It was the 401st Battalion of Argentine Intelligence that sent the first instructors and organizers of the dirty war to Nicaragua. The dirty war was in Nicaragua and El Salvador. That is why they felt so spoiled and pampered that they decided to invade the Falkland Islands, to claim them by force because they thought the empire would take their side in view of their brilliant service in Central America and other places. What the United States did was to side with Great Britain, as everyone knows. It had excellent and loving relations with that government.

What were the relations with Pinochet after Allende's death? The murder [applause] and disappearance of thousands of people. What were the relations with South Africa, even to this date when it is impossible for that government to continue existing? As I said before: They tolerated the development of nuclear weapons.

Then you have Cuba, blockaded. They want to blockade it, step on it, and strangle it. Unquestionably, they want to kill our ideas. They want to kill the example of our people. They do not want to leave a trace of dignity, independence, and progressive spirit in the world because this is not the ideology of global control of the economy under neoliberal principles.

This is not the ideology of the transnationals—to tell the truth. This explains the hate against us and the cruelty against us. This is the reason for the importance for Cuba and the world....[pauses] We all are defending a common cause, ours and yours, that of the Third World and the entire world when we speak of these problems, when we sress these ideas, and when we fight for them. I believe that this pressure alone, sooner or later, will eliminate the conditions under which our people has to struggle today, has to try to develop.

They do not care about the vote obtained at the United Nations. They despise it [words indistinct] the last resolution, when more than 80 countries voted against the blockade. Four, including the United States, voted in favor. I know that one of those countries later regretted it. They regretted it because sometimes ambassadors can be bought. Only four of them do not care.

They cannot continue indefinitely to underestimate international public opinion. They cannot continue to underestimate their own opinions. I heard that the Reverend Lucius Walker spoke here. He is a U.S. citizen who is waging a heroic battle, along with a group of Pastors for Peace, to create an awareness in that country. The seed they planted continues to grow. The U.S. public opinion is very important. The U.S. Government cares

more about the U.S. public opinion, basically for political and electoral reasons, than they do about world opinion. But the battle they are waging is a very important one [words indistinct] to help us in these circumstances [words indistinct]

Since I said that recently my speeches have been brief, I must keep my word and end this speech before I bore you too much. [crowd says: No!] What I basically wanted to express to you was our appreciation and recognition of the support you have given us. It represents a great deal to our people, especially in a moral and spiritual sense, because it is like an injection of energy in the midst of our battle, a battle that, together, we will fight and win. Thank you very much. [applause] [crowd chants: Fidel, Fidel.]

Robaina Speaks at Solidarity Meeting

FL1512213493 Havana Cuba Vision Network in Spanish 0239 GMT 14 Dec 93

[Speech by Foreign Minister Roberto Robaina at the closing ceremony of the European Solidarity With Cuba meeting in Havana on 11 December—recorded]

[Text] Dear Friends: I think those who know us well must know that there are highly disciplined soldiers, especially in Cuba. And I am one of them! [laughter]

I am going to tell you a number of things that could be avoided. I have done everything in my power to avoid them. But obviously, by the tone in which it has been said that I have to speak, I have no alternative. [laughter]

I want to tell you that you have shown solidarity toward Cuba. You have shown it, are showing it, and will continue to show it. My sole interest, after the commander in chief spoke, however, was to have you, on this day, show solidarity toward me, not toward Cuba! And apparently you have not, on this occasion [chuckles] but I can understand the pressures to which you have been subjected. [applause]

Very briefly: It is during difficult times that one best knows who one's friends are. And you are friends to us, now and forever. The movie of a young Colombian director was shown recently as part of the Havana film festival, a movie which in fact recently won a prize at that festival. We found out today that it won second place. It is entitled "The Snail's Strategy" [La Estrategia del Caracol] and it tells how a group of families who lived in a single house, struggling [words indistinct] the abuse of power by the owner, who decided to [8 second break in reception] is how people of all ages, of different ages and creeds and even holding different moral values, worked in unity for a common cause and triumphed. I make this comment to you because someone said yesterday, in this room, that after so many days together he felt like part of a big family. And if this is the case—and I am sure it is!—then your meeting in solidarity with Cuba has already achieved one of its principal objectives: that of all of us coming together in the struggle for a common cause.

Throughout these days, I have kept up with what has gone on here. I know abut the comrades chosen by the [Communist] Party [of Cuba] and the government, and others, who have helped you learn more about our reality. I know you have visited various places and exchanged views with a broad gamut of representatives of all the different spheres of our population. You had, at this rostrum, a vice minister of the Ministry of Foreign Relations; I do not think there is anything new I can tell you about Cuban foreign policy, which is the result of the collective experiences and work of many people over many years. So, she freed me from the duty of talking to you as a minister and permited me to do so as just one more Cuban, as part of this population today living, today struggling, for that better future that we all desire. As a representative of the government, I just want you to take back with you to your respective countries the certainty that Cuba and its foreign policy have not been—nor will they ever be—closed off or static. They change in order to adapt to a world, in keeping with new circumstances, regardless of how complicated this may be. However—and this should be very clear—the changes are, and always will be, done in a Cuban manner, at the speed and in the form best for Cuba. [shouts of approval, applause] [8 second break in reception]

To safeguard at all costs the nation's sovereignty and the principal achievements of a social project that is today the pride and the raison d'etre of three generations of Cubans, and to defend our right to speak with our own voice at any rostrum, are principles that are not—nor will they ever be—on any negotiating table that may be established. The rest we are willing to discuss, as long as it is without pressure and under conditions of equality, as we have demonstrated many times. In this connection, I know that this meeting has been, first and foremost, an open and democratic meeting at which everyone has had an opportunity to express his opinions freely, even though opinions may not always have coincided. And speaking of freedom from pressure, the fact that 271 people from 25 European countries decided to [11 second break in reception] meeting that has in its name a word such as solidarity, which in current dictionaries has been almost abolished, in itself constitutes a bombshell bit of news that ought to circulate throughout the world. But we all know that such a miracle is not going to occur, and this should not catch us by surprise, even less intimidate us.

We Cubans are quite accustomed to the criticisms of the great free press. For example, just a short time ago, the publicity wizards made the whole world believe our entire population was suffering epidemics because of a lack of vitamins, and that the government was asking the population to eat flowers and seeds. Actually, any suggestion given publicity by a Cuban radio staton was

converted into an indication of tragedy by skillful experts in creating public images.

Thus, a lie can be a big front-page headline and the truth can be ignored, or get lost in a tiny report carried on the last page of a newspaper. The saddest thing is the many hours that must then be invested in diplomatic talks to try to explain, and get people to believe, that truth. So, now the future of my country is not even determined by a battle on an invaded beach, but rather by that publicity battle, the battle for hearts and minds. And it is precisely there, in that priority trench, that our friends throughout the world should be, constituting a front line. If a lie repeated many times can turn into a truth, let us ourselves repeat our small, humble truth ad infinitum, so that it can become big and undeniable.

That is why it was so important for you to become even more familiar with our reality; and in that connection, too, your presence now in Havana has been useful.

We have said to all those people who insist on drawing conclusions regarding Cuba—many without even knowing that the languages spoken here are Spanish and Cuban—that they were evaluating our country based on parameters alien to our history, our traditions, our idiosyncrasy, and our geographic and political context. That is like trying to dress a werewolf in a space suit.

That is why I insist that you yourselves now have, through the experiences gained during this visit and the knowledge gained from them, an important advantage over those who, as far as Cuba goes, do not want even to remember it.

You have the truth. Do not let love for our cause take you over to the side of those who idealize us. The Cuba that we all love and should defend is a credible Cuba, one with virtues and defects—that Cuba which, as the poet puts it, does not have a perfect society because that society is one built by mere men and women.

Dear friends, many and beautiful have been the proposals at this meeting: some only heard; others approved. [Words indistinct] stimulates and obliges (?us) to continue our struggle with new determination. The situation Cuba is currently going through makes us resort to international solidarity, and believe me when I say that we do so with all the honor and committment that doing so entails. We are not ashamed of receiving help. We would be ashamed if no one were to feel the need to help us because solidarity cannot be imposed or obtained through begging. To show solidarity toward Cuba today means, as has been said, to defend the hopes of the most humble of this world; defend the right to self-determination, independence, and sovereignty; reject aggression and meddling. There is a maxim of Jose Marti's that our young people are repeating these days: He who stands up today with Cuba stands up for all time.

You, who stood up for Cuba some time ago and who helped and are still helping to uplift many others in this world, deserve our respect and our eternal gratitude. For this reason, and, as has been said here, it is, more than a duty, a collective right to guarantee that the political content of the movement of solidarity with Cuba is not twisted, much less confused with the campaigns of humanitarian aid to our country—which of course we need and are thankful for but, in all truth and to be honest, your voices and your presence in the struggle against the blockade and against the campaign of disinformation and slander regarding our country are as important as the milk for our children.

A gesture of solidarity cannot be measured solely in kilograms, tons, or meters; it also is measured in heartbeats. Our Jose Marti affirmes that all the glory in the world fits into a grain of corn. And what can we say when that grain of corn is the result of an act of solidarity?

I just want to thank you once again for being here in Havana and for all those grains of love that you, as our brothers, have always sent us—and have sent, particularly in these recent times—from mother Europe.

We also want to thank ICAP [Cuban Institute of Friendship with Peoples], everyone, for having organized and realized this new common dream. Marti also used to say: Be good because one feels a kind of joy, deep inside, when one has done something good or has said something useful to others. That is better than being a prince; that is to be useful.

To you, good friends, thank you for these days of direct solidarity. Leavetakings are always sad. I wish you could stay among us much longer. But we are comforted by the knowledge that the quicker you return home, the quicker that huge movement of solidarity toward Cuba that Europe and Cuba also needs will be set in motion anew. [sentence as heard] As has been the case up to now, we are working together in Cuba to make reality the saying: That which is possible we have already done; the impossible we are already doing; miracles will take a little longer.

Thank you very much. [applause]

Chief of General Staff Meets With DPRK Delegation

FL1612025593 Havana Radio Rebelde Network in Spanish 1800 GMT 15 Dec 93

[Text] A DPRK Navy delegation is visiting Cuba until 25 December. The Korean officers will tour military units, economic facilities, and sites of historical and cultural interest which will contribute to strengthening the friendship and cooperation that unites the armed forces and peoples of both nations. On 14 December, the delegation headed by Navy Commander Kim In-chol held a cordial meeting at the Ministry of the Revolutionary Armed Forces headquarters with Division General Ulises Rosales del Toro and other chiefs and officers.

Foreign Minister Concludes Visit to Colombia

FL1512234493 Havana Radio Rebelde Network in Spanish 1800 GMT 15 Dec 93

[Text] This morning Cuban Foreign Minister Roberto Robaina concluded his visit to Colombia by meeting with a large group of Colombian businessmen. Earlier, Robaina and Colombian President Cesar Gaviria had reviewed the results of his three-day visit. On these two activities of the Cuban delegation in Bogota, reporter Roberto Cabada has obtained details from Radio Caracol in Colombia in an exclusive for this newscast.

[Begin recording of unidentified Colombian reporter] The day before, Mr. Robaina met with President Cesar Gaviria Trujillo at the Casa de Narino seat of government and exchanged views on the process of economic integration that Latin America is going through and the inclusion of Cuba in that process. He said that the Cuban Government is hoping for a greater and more energetic exchange with Colombia and with other Latin American countries, pointing out that it is not aid as such that Cuba wants but business because Cuba has a lot to offer Latin American countries, especially in the areas of education, health care, and culture.

Mr. Robaina also held an extensive meeting with Colombian [Foreign Minister] Noemi Sanin Posada with whom he went over notes related to the ratification of Colombian-Cuban treaties. Robaina said that Cuba is not in a condition to buy oil from Colombia to overcome the energy needs of the island. Robaina added: Cuba wants Colombian oil, what we do not have are funds to purchase it; that is why we cannot propose any deal to Colombia in this matter. Robaina added that Cuba has a modern pharmaceutical industry that can supply Colombia. This morning, Mr. Robaina met with some Colombian businessmen with whom he spoke about possible Colombian investments in Cuba.

Then Robaina will travel to the military airport in Catan, located in the northwestern part of Santa Fe de Bogota, where he will depart for Cuba.

These are main points of the very important visit of this Cuban personality, who is head of Cuba's Foreign Ministry, to the capital of the Republic of Colombia. [end recording]

Nicaraguan Assembly Official To Visit 18-26 Dec

FL1612022893 Havana Radio Rebelde Network in Spanish 0000 GMT 16 Dec 93

[Text] This evening, (Ivan Salvador Madris), vice president of the Nicaraguan National Assembly, confirmed in Managua his forthcoming official visit to Cuba. He will lead a delegation in order to become better acquainted with the Cuban reality and strengthen ties between both nations. (Madris) sent a message expressing his affection for the Cuban people and Government and stressed the resolution by the Nicaraguan National Assembly against the blockade the United States has imposed on Cuba for over 30 years, for it is inhuman and immoral. The visit of the Nicaraguan deputies will take place 18-26 December.

UN Donates Funds for Environmental Project

FL1612021693 Havana Radio Rebelde Network in Spanish 0000 GMT 16 Dec 93

[Text] The UN Development Program [UNDP], along with the Program for the Environment and the World Bank, have donated $2 million to Cuba for a project in support of environmental and bio-diversity protection. Following the signing of the accord, UNDP resident representative Guido Ordonez stressed that Cuba was one of the first countries in the world to put in its Constitution the goal of developing tourism in complete harmony with nature in order to avoid the destruction of the environment. Ordonez pointed out:

[Begin recording] This project—its first phase begins today—aims, through the most rigorous scientific research viable alternatives, to protect the environment and effect a sustainable development harmonizing nature and economic progress. Castro, himself, warned in his Rio Summit speech: An important biological species is at risk of disappearing due to the quick and progressive destruction of its natural conditions of life—man. [end recording]

The amount of the donation will total $10 million during the three years the project will last.

Rosa Helena Simeon, president of the Cuban Academy of Sciences, thanked the United Nations and World Bank authorities for this gesture which will help to provide equipment for 13 multidisciplinary Cuban centers.

[Begin Simeon recording] Today a $2 million project becomes a reality. Logically this will allow us to equip and modernize all the scientific institutions—more than 13—that participate in this project. We also are very pleased because we think that the scientific results that this project will yield do not have just a special importance for Cuba, but will benefit the entire Caribbean basin because today Cuba has the scientific and technical potential that other Caribbean brothers might not have reached yet. With this project, however, we can attain knowledge not only for our scientific, cultural, and economic wealth but also to share with all our Caribbean brothers. [end recording]

ANPP To Discuss Economic Issues, Havana, Minaz Reports

FL1612002493 Havana Cuba Vision Network in Spanish 2320 GMT 15 Dec 93

[Text] Important economic issues, particularly those related to internal finances, will be discussed in the second regular session of the National Assembly of the People's Government [ANPP]. The Assembly, convened for 27 December, will hear Havana Province's progress

report, as well as that of the Ministry of the Sugar Industry [Minaz] regarding the sugarcane recovery program and the beginning of the current harvest. This is not the first time that the deputies will discuss economic issues since they became familiar with the subject in the late June session. Currently, the deputies are receiving extensive information on these issues so that the ANPP collective discussion is grounded on a strong base of knowledge.

Civil Aviation Seeks To Improve Services

FL1412163693 Havana Radio Rebelde Network in Spanish 1255 GMT 14 Dec 93

[Text] Civil aviation plans to increase its profits by 23 percent during 1994, as compared to 1993, through improved quality in its services and the specialization of personnel. The Cubana de Aviacion enterprise and the Caribbean S.A. company also plan to increase their markets by giving optimum attention to the services offered to their international passengers. They will also improve scheduling, making it more flexible, and will seek to ensure that workers are well trained. It was also learned that 80 percent of the technical and cabin crews are taking improvement courses and that an effort is under way to repair equipment and parts of which there is a shortage, in response to resource limitations.

Rocket Fuel Regeneration Paper Presented

FL1512004493 Havana Radio Rebelde Network in Spanish 1800 GMT 14 Dec 93

[Excerpts] The work in committees of the Eighth Science and Technology Forum began today with the examination and evaluation of the papers selected by the jury. The event will be taking place at different places in the capital for its first two days. [passage omitted].

The committee on defense, made up of the Revolutionary Armed Forces [FAR] and the Ministry of Interior [Minint], has begun its work sessions at the Minint central headquarters. Most of the papers deal with energy savings and, basically, with increasing technical and combat readiness based on avoiding imports. Journalist Margarita Torres reports from the (Cristino Naranjo) in this capital.

[Torres] Defending his paper, Lieutenant Colonel (Reynaldo Elias Alderete), an engineer, said that prolonged storage caused moisture to get into the fuel at the rocket installations, but that it is possible, with good results, to return the fuel to its original quality.

Although such an accomplishment is unprecedented in the world, the results obtained in the Western Army by applying this technology show that regenerating the quality of rocket fuels, without altering their chemical composition, is feasible.

[Begin unidentified speaker recording] From the economic viewpoint, we can say that these products normally cost between $350 and $400 per ton. For each day of work at the installations, which have been designed and made operational, the costs are in the range of 40 or 50 pesos. This means that more than $300 are saved each work day at these installations. [end recording]

[Torres] The development of this technology is one of the most outstanding pieces of scientific work by the FAR in 1993.

Commentary Examines Journalistic Obligation

FL1412172393 Havana Radio Rebelde Network in Spanish 1255 GMT 14 Dec 93

["Our Opinion" commentary by Ariel Larramendi]

[Text] With the conclusion of the partial sessions of the sixth congress of the Union of Cuban Journalists [Upec], and awaiting the congress's final session on 23 December, one of the principal challenges, inescapable for us press professionals, is how to operate in this world of galloping change on both the universal level and our own level.

Many reflections nationwide have been expressed during the course of the congress by those whose responsibility it is to inform, analyze, persuade, and mobilize. Many questions have been asked and many more are going to arise in these new conditions under which the country is evolving. We journalists know that the task is all the more difficult because these rapid changes in which our fatherland is immersed present new challenges; sometimes even before we have rid ourselves of mediocre ways of exercising the journalistic profession.

How do we get ourselves out from under the dead weight and incorporate responsibility in the printed and spoken word so as to redefine new situations that crop up, which is like redefining the other party, our interlocutor, the one for whom we exercise our profession? How do we make our discourse more effective, removing, for example, the minus sign from an economic concept that, up to only yesterday, was discordant?

What we know is that for some time to come the reformulation of policies, both economic and social, will entail redefining our way of exercising the journalistic profession. We also know that the news media are an important element in constructing, reinforcing, or reconstructing a political culture.

A directive from the higher level of the political community is fully accepted not because it is considered necessary and evident, especially in these moments of ideological whirlwinds. It is also necessary to create a political atmosphere that, through analysis, discernment, and persuasion, can create or reinforce the interlocutor's participation under that necessary directive—which amounts to minimizing conflict.

How do we determine the limits of intransigence in principles and the necessary flexibility that will allow us

to incorporate ourselves, while preserving those principles in that world that is already called postmodern?

The task that is approaching, the one already upon us, gives us no time to lament what might have been and is not. The challenges are so great that there is no time or space in which to look back even slightly in order either to justify or to blame ourselves. Today, it is a matter of looking toward the future fully convinced that we journalists will be able to serve as a forceful guiding sector that will permit us to emerge from this special period. It is what is expected of us!

* Editorial Urges Workers To Endorse Survival Strategy

94CA0046C Havana TRABAJADORES in Spanish 15 Nov 93 p 2

[Editorial: "That Is Our Policy"]

[Text] Fidel's recent remarks at the close of the party's Stocktaking Assembly in Ciudad de La Habana explicitly and unequivocally defined the revolution's economic and political strategy under the current circumstances.

What it all comes down to is the line to be followed in order to guarantee our nation's survival, leaving behind the difficult conditions of the special period and guaranteeing a future of freedom, social justice, and economic development.

The bottom line is that the triangle comprised of the nation, the revolution, and socialism must be traced by work, determination, and the intelligence devoted to that work.

It is a policy of the workers that must be carried out by the workers and for the workers.

New forms of organization of work will be needed. Different types of incentives will have to emerge and be applied. We shall have to continue to update labor legislation wherever necessary, and the functions of labor and management will have to abide by a design whose supreme and ineluctable goal will be economic efficiency.

Reorganizing domestic finances, gradually reducing the excess money in circulation, and developing auditing and accounting practices will in the immediate future be daily issues in our working world.

For some time, the problem of rationalizing personnel will undoubtedly be a matter as peremptory as it will be complex.

The same can be said of the general restoration of labor and technological discipline, the very bases of productive organization so seriously damaged by paternalism, egalitarianism, leniency, and an imbalance between rights and duties.

None of these processes that we have summarily mentioned can take place successfully if they are not accompanied by the workers' awareness of the need for them.

Basically, the implementation of the strategy outlined by the revolution is aimed at ensuring that the workers make progress on their role as the true owners of our national resources.

We have been ineffective owners because we have been more skillful in handing out than in producing, more concerned about demanding rights than about requiring duties, far more inclined to spend than to save, more prodigious in drawing up plans and drafting proposals than in assuming rigorous control of and properly evaluating every process.

We are now in a position to learn through our mistakes and rise up triumphant over an external reality that forces us to take advantage of our potential.

We must change our way of thinking and acquire different habits or our workers' society will not survive.

As Fidel said, it is up to us to choose between discipline and failure, discipline and defeat.

In the end, we must put an end to the buddy system because if we are owners, if we have an owner's conscience, we are not served by having a buddy managing our resources. Rather, we benefit by having someone truly watch over our interests as owners, someone who will demand discipline of us. After all, not only are we owners; we are also our own employees!

With discipline and efficiency as a premise, we shall realize a hope that has never been fulfilled: for every individual to receive according to his work and effort. With discipline, efficiency, and pay based on work, we shall achieve something else that we have never fully accomplished: Our workers will assert themselves as owners, effectively participating in the decisions made at every work center aimed at improving the management of production.

The future that we are hailing is no dream; it is a necessity. Either we truly become owners, assuming without contradictions our double status as producers and administrators, or we weaken the foundations of the very socialist society that we want to build.

It is therefore timely to recall that exigency is not a synonym for despotism, nor must discipline deny solidarity and camaraderie. Economic efficiency must not be identified with the vulgar practice of an organization and command that ignore the need to persuade and convince.

That is why, even though we are just starting to move toward that crucial goal, it is relevant to warn that administrative efficiency in a society of workers does not deny, but rather, reaffirms the need for the active presence of labor union organizations in every work center.

Nor will the unions stand silently by on any occasion or in any place where the policy now being set forth by the revolution is discussed and applied. They have a duty to represent the labor community that elected them as their spokesmen and must also represent all workers from the vast majority of society.

That is our policy and it is our duty to fight for it in order to maintain unity between working men and women, knowing that in our struggle, we must also improve and—for it amounts to the same thing—update ourselves, correct our methods and style, learn to defend the workers' vital interests better, and play the lofty role that has fallen to us in confronting the new experiences that lie just ahead.

* Sharpshooter Training Described

94CA0046A Havana JUVENTUD REBELDE in Spanish 7 Nov 93 p 7

[Article by Osmin Martinez Garcia]

[Text] The pair of sharpshooters walked all night long following a path running parallel to the sound of the stones carried along by the rapid river current.

At the site appointed for the action, the path cut into the densely forested mountain before it continued straight ahead to the opposite bank, the last 30 meters or so under shallow greenish water.

This was where, hours later, a large enemy detachment was to cross on its way to a small, nearby town.

Groping their way along, the men set up their surveillance points. Lazaro climbed a tree with dense foliage and hid behind a fork in the trunk where he could comfortably rest his rifle. Willian hunkered down in a hollow in the ground where, as it began to get light, his line of sight would just clear the path, rather like a scissors closing its steely blades.

In a landscape shrouded in darkness, only the hint of a humid breeze could be felt in the early-morning camp after the rain, mud and croaking of frogs.

Lazaro raised the sight to his eye and was surprised by the phosphorescent scale with its ascending numbers. Far behind him were the early morning hunts in Pinar del Rio, the Diesel engine technician and his teenage anxiousness, his girlfriend, the training, the warmth of the barracks. Suddenly he felt alone, touched the cold curve of the trigger, and waited with almost infinite calm.

Elite Force

This is how Lieutenant Colonel Raul Acosta, chief of staff of a large Western Army tank unit, describes the young men from the SMG [General Military Service] who comprise the squad of sharpshooters.

The selection and training of a future rifle expert are rigorous. The individual must be strong, fairly tall, preferably right-handed—the weapon is not made for firing left-handed—and be endowed with excellent health and vision. He must have obtained the highest scores in shooting practice during basic training.

The rest of the training is the responsibility of specialists: "correction" drills where they must aim for the edge and lower center of the figure; work with laser equipment; the first practice with a 22-caliber rifle; tactics; chemistry; infantry; protection against weapons of mass extermination; engineering; study of the enemy army; endless jogging.

"The sharpshooter must be a naturally calm, even-tempered person without any bad habits that would cause him to become extremely nervous during a long wait, a person who likes to be neat and clean," says Francisco Romero, the sharpshooter squad's drill sergeant. "All of this is important later in combat. A sharpshooter never yields a position without being ordered to do so. He will never light a cigarette that would give him away. He is careful about his camouflage."

"Just as special psychological traits are needed, the daily environment also has a great impact on marksmanship. Anyone can have a bad day. Our barracks are separate from the rest to ensure perfect calm. Staying close to everyone while at the same time being relatively isolated is a new experience that contributes a great deal to our emotional stability and concentration."

Seven seconds is considered long enough for a sharpshooter to take aim and fire at a target, although the time varies with distance and the type of terrain. An accurate shot can be fired within a range of 500 to 1,000 meters. "Even wearing a helmet and a flak jacket and despite all the gear a soldier carries, at a range of 600 meters, he can easily put a bullet right between the eyes."

The rifle they use is the Russian-made SVD Dragonov, tailor-made for such missions because of its long range and accuracy. The Dragonov is sometimes traded for a Carbine, which may be older and not equipped with a sight, but still a real threat in well-trained hands and with well-trained eyes.

"For us, good shooting means hitting the target most or all of the time and never missing the first shot because that is the one that always signals your presence," says Drill Sergeant Romero. "We must not forget that in an army, we are the ones they go after first, the most feared, the worst enemy of the enemy chiefs, officers and sharpshooters."

In the bluish half light of dawn, Lazaro spotted a human silhouette standing somewhat back from the opposite bank of the river. He rested his jaw on the padded rifle butt and checked his breathing.

All the advice he had heard over and over came back to him: "Aim at the heart, the forehead, the genitals, or knees, the vulnerable spots." And the question from the reporter who wanted to know if he could actually kill a human being. "Well, if he invades your country, kills your people, he is no longer a human being. He is an animal, a criminal. Of course I could," Lazaro thought.

So he pulled the trigger and the explosion shook the morning awake. The metal target in the shape of a man staggered, wounded, then fell backwards on the ground still wet with the morning dew.

Dominica

Government Wants 'Special Arrangements' With GATT

FL1612002593 Bridgetown CANA in English 1952 GMT 15 Dec 93

[Excerpt] Roseau, Dominica, Dec 15, CANA—Dominica on Wednesday welcomed the end of the Uruguay Round of global trade talks, with an appeal for "special arrangements".

Dominica's external affairs minister, Brian Alleyne, said the government was closely monitoring developments in relation to the new world trade deal. Alleyne said the completion of the talks under the General Agreement on Tariffs and Trade (GATT) was important for the world and Dominica. "We ourselves have been looking at what participation, what offers we must make. And we have just settled some of the areas which we must negotiate with the GATT," Alleyne told CANA. "We obviously need some special arrangements, and the future of our banana industry, for instance, is a matter that is now before the GATT for consideration. And we hope that our special needs can be accommodated within the GATT rules."

According to the minister, the government here has identified areas in which it can participate fully in the international trade arangements—"in services, in goods, and in agriculture".

Alleyne said that the limitations of Dominica's participation were also being underscored. "These have to be considered by the GATT authorities and either incorporated into the general agreement or re-negotiated," Alleyne told CANA. [passage omitted]

Haiti

Malval Returns Today; Expected To Deliver Speech

PA1512220993 Madrid EFE in Spanish 2047 GMT 15 Dec 93

[By Harold Jean Francois]

[Text] Port-au-Prince, 15 Dec (EFE)—Prime Minister Robert Malval will return to Port-au-Prince today after his two-week visit to Washington, the Vatican, and France. The prime minister is expected to deliver a speech to the nation to discuss his trip and, possibly, his resignation.

Malval flew to Washington and met with ousted President Jean-Bertrand Aristide to discuss his resignation, announced for tomorrow. He then went to Rome where he met with Vatican representatives to seek support for Haiti's return to constitutional order.

The prime minister was in France on 13 and 14 December to attend a meeting of the Group of Friends of Haiti, comprising the United States, Venezuela, Canada, and France. A political source told EFE that Malval did not receive Aristide's support to hold a national conference with all Haitian sectors to seek a solution to the crisis that began on 30 September [1991], when a group of military led by General Raoul Cedras toppled Aristide. According to the same source, Aristide does not feel that the appropriate security conditions exist to allow the participation of all the country's sectors in negotiating a solution to the two-year crisis. The Haitian president accepted Malval's resignation from the post of prime minister, but Malval must remain until the president appoints his successor, as established by the Haitian Constitution.

Sources in the National Assembly told EFE that the process to approve the designation of a new prime minister will be very difficult. Chamber of Deputies President Antoine Joseph said informal consultations have already begun in the National Assembly. A delegation of lawmakers was created to analyze with Aristide, along with the presidents of the Chamber of Deputies and the Senate, the appointment of a new prime minister.

The government headed by Malval took office on 2 September within the framework of the Governors Island agreement signed in New York by Aristide, Cedras, and Argentine Dante Caputo, the OAS and UN mediator. Malval, however, was unable to adequately perform his functions because military and rightist groups linked to them boycotted him, so he had to conduct his daily work from his residence, which he made into an office.

Officially Resigns, Cancels Conference

FL1512224293 Port-au-Prince Radio Metropole in Creole 2000 GMT 15 Dec 93

[Passages in quotes broadcast in French]

[Text] Starting tomorrow, Haitian Prime Minister Robert Malval will no longer deal with political matters in Haiti. Mr. Malval has said that he presented his resignation to President Aristide and that President Aristide accepted the decision. After 15 days away from the country, Mr. Malval returned to Haiti feeling very

sad. He did not achieve positive results in his biggest initiative, namely, the holding of a conference in order to reconcile Haitians. Mr. Malval stated that he did not find the support that he needed for the conference. In addition, all the participants raised the security problem, including President Aristide.

[Begin recording] [Malval] "I am sorry to say that no national conference will be held because many people who were supposed to take part in it, both inside and outside the country, inform me that there is a security problem. Since everyone will not be able to participate as I wish, unfortunately I must say that we are not able to hold the conference. President Aristide also is concerned with the security problem. So he wished that the conference be held once he returned. Therefore, I must respect this wish.

"The experience that I have learned is that if we Haitians do not put our heads together, no matter of one's ideology—given it is done within the respect of the person's right in a state of law—if we do not do that immediately, I believe that one day we might not have a country anymore.

[Reporter Francois] "Mr. Malval, it seems that there was a conflict in your relationship with President Aristide, considering the statements made by Michael (Bounds) and Ambassador Casimir.

[Malval] "It is not as dramatic as they make it sound. It is normal; I am a democrat and I believe in democracy. Democracy means that we have the right to have differences. The issue is how to manage them. That is what the democratic lesson is about. I may never agree with you, but I can sit down and talk with you in order to resolve a question. Thus, it is normal that there is a difference in views, but there is not a difference in the dream. That is what is important." [end recording]

Mr. Malval also asserted that he kept his word by resigning on 15 December as planned. Mr. Malval said that he invested much in his post. He invested his democratic dream, his moral integrity, his courage, his patriotism. If he fails today, it is due to several problems which hampered his period in office. It was with tears in his eyes that he made those statements.

[Begin recording] [Malval] "Of course, I am resigning within the scope of Article 165, namely I remain in office until my successor is ratified." I hope that it will be done very quickly because they say: Many hands lighten the load. Despite so many hands, the load is very heavy. "I am here to deal with day-to-day matters. I do not know yet what it means but I do know what it does not mean. It means that I can no longer deal with political matters. My failure is attributed to a series of obstacles that I found on my way. Many people can give various reasons for that. But I know that I put all my good faith in it. I placed all my integrity into the job, and I believe that I put all my courage in it.

"Perhaps some people think that I did not have enough courage, but I believe that I invested all my courage, all my moral integrity, my total patriotism, my democratic dream. It is with a heavy heart that I am quitting because I know that we are in a desperate situation. I know that the entire Haitian people is expecting something from us [he begins to cry] that we cannot give."

[Unidentified reporter] Will you continue to fight on the side of the Haitian people even after you resign?

[Malval] "Always." [end recording]

Minister Malval took office on 2 September. Mr. Malval invested, as he said, his patriotism, his moral integrity, his courage, his democratic dream. What Mr. Malval did not say, however, is that he invested his family, his house and private residence. In any case, the experience that Mr. Malval learned during the 105 days he was head of the government is that Haiti will never advance if Haitians continue to fight each other, if Haitians remain divided.

Government Performance Assessed

FL1512203893 Port-au-Prince Radio Metropole in French 1145 GMT 15 Dec 93

[Text] It is confirmed. Robert Malval is leaving as head of government. The prime minister had in fact chosen the date of 15 December to officially resign, which was indeed done. It should be noted that the resigning prime minister had indicated that he would continue to deal with day-to-day matters while awaiting the appointment and ratification of his successor by the Parliament.

To date, several questions are being asked, notably who President Aristide is going to hand over control of the government. Those questions will be answered by the president of the House of Deputies. Regarding Mr. Malval's resignation as head of this government, Clarence Renois files a report:

Today should mark the resignation of Malval's government, or at least the end of the mandate that Prime Minister Malval granted himself, a four-month mandate. When, at the beginning of August, he officially accepted to lead the first constitutional government since 30 September 1991, Robert Malval had clearly indicated that he would remain in office only for a period determined between him and the president-in-exile. In taking office, the prime minister assigned himself a specific task: to calm emotions in order to facilitate the return of President Jean-Bertrand Aristide. In addition to this objective, Robert Malval also intended to implement the bases of economic development. But, in the end, the prime minister did not succeed in any of these projects. Facing my policy of overture, I found hostility, Prime Minister Robert Malval sadly concluded recently. The inauguration of the government's mandate, however, had given birth to a lot of hope regarding a settlement of the political crisis. There was a reconciliation speech, a call to unity. Robert Malval offered his hand to his

potential political opponents in order to invite them to return to the country. Haiti needs all its sons, he stated on 2 September while appointing his cabinet. But very quickly, relations with the Army became a game of Indian wrestling. First, there was a protocol incident at the National Palace. General Cedras was not invited to greet the prime minister, resulting in an awkward note for the entrance of this government. Afterwards, some armed civilians attacked some youths who were peacefully demonstrating in front of the National Palace. Incidents punctuated the three months of the government, a government with no real power, a government which in fact was never able to occupy nor control the public administration. Robert Malval had put the government seat in his own residence.

In the formation of his cabinet, Robert Malval did not know how to slake the thirst or the expectation of the opposition, which was demanding participation in a more open government, a government of a large concord, while the prime minister was proposing what he called a small concord. From that moment, the government would be difficult to establish. With the existence of an oil and trade embargo, economic sanctions, and a naval blockade, the Malval government was unable to start any large-scale action, even to appoint some new directors in the public offices. The cases of the National Radio and Television testify to this.

The international community, which Robert Malval had based his hopes on in order to achieve his governmental objectives, met with a bitter failure in Port-au-Prince in the implementation of the Governors Island accord. The four friends of Haiti, which took the lead in international action, came up against the reluctance of the Haitian military, supported by a strong parliamentary opposition, to accept the application of the accord. This opposition sector opposed putting the Republic of Haiti under trusteeship.

Finally, the assassination of Justice Minister Francois Guy Malary, preceded by the murder of one of Aristide's fervent supporter, Antoine Izmery, the departure of the civilian mission and of MINUHA [UN Mission in Haiti]—all were many signs of the failure of the international community in its plan for the return to constitutional order in Haiti. The failure of the international community also meant Robert Malval's failure. For his first political experience, Robert Malval had chosen transparency and morality as slogans and a government formula.

In announcing his withdrawal, his failure, he is convinced that only the political professional can manage the Haitian political power. However, while he is leaving he will try to implement a conference of national safeguard or of national reconciliation, perhaps one of the great lessons that he drew from his experience. But, in the opposition as in his own camp, he may see that last initiative boycotted.

Aristide Reportedly To Replace Gen Cedras

FL1512225193 Port-au-Prince Radio Metropole in French 1900 GMT 15 Dec 93

[Text] President Aristide has decided to end General Cedras' functions as head of the Armed Forces and to appoint a successor, according to a person working with Mr. Aristide. This person, who wished to remain anonymous, specified that the president has entrusted Prime Minister Malval to hand over a letter to Gen. Raoul Cedras informing him of the decision.

The same source specified that the identity of the successor appointed by Mr. Aristide would be made public after Mr. Malval delivers the letter to Gen. Cedras and informed him of the new appointment. The delivery of this letter should be the last official act of Prime Minister Malval, who had announced his desire to resign today. Robert Malval also returns to Port-au-Prince today after two weeks abroad. The prime minister is returning to Port-au-Prince this afternoon. Several members of the diplomatic corps are waiting for him right now at the airport.

Senate Approves Investment Law To Attract Foreign Capital

PA1612053993 Mexico City NOTIMEX in Spanish 0215 GMT 16 Dec 93

[Text] Mexico City, 15 Dec (NOTIMEX)—Today the Mexican Senate approved, by majority vote, the Foreign Investments Law, which is geared toward attracting more foreign capital to bolster national development and create employment. According to the text, the law, which received 48 votes in favor and two against out of a total of 64 seats, protects the country's sovereignty and maintains present values and historical traditions while facilitating the entry of foreign capital.

At the rostrum, Senator Victor Manuel Tinoco of the ruling Institutional Revolutionary Party (PRI) said foreign resources will generate permanent, productive, and well paid employment in the country. He added that the entry of fresh resources for financing enterprises will permit the introduction of modern technologies for the industrial sector and will encourage the country's exports.

Senator Hector Teran Teran of the opposition National Action Party (PAN) and his colleague, Roberto Robles Garnica of the Party of the Democratic Revolution (PRD), also opposition, said the law "constitutes an attempt on the Constitution." Both criticized the fact that foreigners will be allowed to own property in restricted areas of the Mexican borders and coastlines.

Tinoco Rubi said the state maintains the leadership in petroleum, basic petrochemicals, exploitation of radioactive minerals, nuclear energy generation, electricity, railroads, telegraph and radio-telegraph communications, coin minting, currency issuance, mail service, and so forth.

Senator Angel Sergio Guerrero of the PRI added that the opposition exaggerates and twists the contents of the law, which is aimed only at establishing paths to channel the entrance of foreign capital into the country. He asserted that the law contemplates an unrestricted respect for the constitutional dispositions and allows foreign investment in activities that promote national development, he concluded.

PRI Candidate Pledges To Strengthen Trade

PA1512214193 Mexico City XEW Television Network in Spanish 0430 GMT 15 Dec 93

[Text] Luis Donaldo Colosio Murrieta, presidential candidate for the Institutional Revolutionary Party [PRI], said today that if he wins the elections next year he will strengthen trade relations with Europe and Asia. Speaking to leaders of the Federation of Unions for Goods and Services Enterprises, FESEBES, Colosio said that no one can be left along the wayside on the path toward a better Mexico.

The PRI candidate told nearly 700 workers gathered at the auditorium that the free trade agreement signed with the United States and Canada will bring benefits, but Mexico also needs to expand its trade horizons.

[Begin Colosio recording] We certainly have huge advantages and potential with the NAFTA signed with the United States and Canada, but we will also have them with the trade agreements that are being signed with Latin American countries. If I reach the presidency with the support of my friends, the Mexican workers, I will then strengthen ties with Europe and of course with the Asian countries. [end recording]

Colosio Murrieta said that in view of international competition, the country needs productivity and strong labor unions. Francisco Hernandez Juarez, secretary general of the FESEBES, said social reform needs the state's regulation and support.

Those also present at the event were: Mr. Fernando Ortiz Arana, president of the PRI, and Hugo Andres Araujo, secretary general of the National Peasant Confederation.

Ecologist Party Swears in Presidential Candidate

PA1512213493 Mexico City XEW Television Network in Spanish 0430 GMT 15 Dec 93

[From the "24 Hours Newscast"]

[Text] The Mexican Green Ecologist Party swore in Jorge Gonzalez Torres as its presidential candidate today. Gonzalez said his party promises a moral and ecological revolution.

Chihuahua Mayor Protests U.S. Plans for Border Wall

PA1512161393 Mexico City NOTIMEX in Spanish 1808 GMT 14 Dec 93

[Excerpts] Ciudad Juarez, Mexico, 14 Dec (NOTIMEX)— The Consulate General of Mexico in El Paso, Texas, referred to U.S. authorities' intention to build a steel wall along the border between El Paso and Ciudad Juarez as "an insult to national dignity." [passage omitted]

Chihuahua State Governor Francisco Barrio Terrazas, speaking in the city of Chihuahua, in the northern part of the country, said that the steel wall project "is part of the recent hostility displayed by the United States toward Mexico." Barrio Terrazas said: "Measures of this type do nothing to prevent waves of migration. As long as the economic situations in our countries remain precarious, people will continue crossing (the border), with or without a wall."

Barrio Terrazas noted: "There are no grounds for filing a complaint under international law. This is just an instance of unfriendly conduct." Barrio Terrazas said that he will support the formation of a human chain

between the cities of El Paso, Texas, and Ciudad Juarez, Chihuahua, to promote the concept of long-term "collaboration, solidarity, and friendship."

Meanwhile, representatives of private enterprise in Ciudad Juarez announced that, in response to the U.S. plan to build a steel wall, they plan to stage a campaign called Operation Dignity on the international bridges that connect that city with El Paso. Roberto Tarin Aranda, president of the National Chamber of Commerce, Services, and Tourism, expressed his concern that the wall would wreck an ambitious tourism project that Mexican businessmen and the Hispanic Chamber of Commerce in El Paso have been considering.

Costa Rica

Roundup of Economic Developments Through 14 Dec

PA1412192293

[Editorial Report] The following is a compilation of reports on Costa Rican economic developments monitored through 14 December. Source is cited in parentheses following each item.

The Inter-American Development Bank (IDB) on 1 December approved a loan of $320 million for the Costa Rican Electricity Institute. The disclosure was made by IDB exective director Edgar Ayales, who explained that most of the money will be used to build the Angostura hydroelectric plant, which will generate 177 megawatts. The loan will also finance construction of the Tejona plant, which will generate 20 megawatts. Tejona, which will use the wind to generate power, will be the first of its kind on the isthmus. The European Investment Bank and Worldwide Environmental Fund are also contributing to this phase of Costa Rica's electrical development program, the former with $51 million and the latter with $3.3 million. (San Jose LA NACION in Spanish 2 Dec 93 p 12A)

The Costa Rican Government has announced that the consumer price index, which is used to measure inflation, increased by 1.08 percent in November, bringing overall inflation for the year to 8.08 percent. The authorities believe it is very possible Costa Rica will end the year with less than 12 percent inflation. Bus fares and vegetable prices increased the most. (San Jose LA NACION in Spanish 2 Dec 93 p 40A)

Foreign Trade Minister Roberto Rojas has announced that betweeen January and November, exports totaled $2.408 billion. Traditional exports showed the slowest growth rate with five percent, probably due to the banana and coffee price crises, while nontraditional exports increased by 26 percent. (San Jose LA REPUBLICA in Spanish 7 Dec 93 p 14A)

El Salvador

Former Soldiers Demonstrate, Surround Congress

PA1512203993 Panama City ACAN in Spanish 2001 GMT 15 Dec 93

[Text] San Salvador, 15 Dec (ACAN-EFE)—Demobilized Salvadoran Armed Forces personnel are not allowing Salvadoran President Alfredo Cristiani, accredited ambassadors, including Ricardo Peidro of Spain, legislators, and top government officials to leave the Congress building.

Hundreds of former military personnel and their relatives, including soldiers crippled during the war, demand that the government include an allotment to pay them one year's worth of wages as compensation for their separation from the institution in the 1994 budget, which is to be approved today.

Cristiani, his cabinet, and the ambassadors and diplomats were participating in an event to honor the 10th anniversary of the promulgation of the Salvadoran Constitution when the demonstration started. The demonstrators have surrounded the Congress and, in turn, have been surrounded by the National Police and special forces.

President, Others Allowed To Leave

PA1512215493 San Salvador Radio Cadena YSKL in Spanish 2134 GMT 15 Dec 93

[Report by Raul Beltran Bonilla]

[Text] The Salvadoran president's voluntary custody [custodia voluntaria] has ended now that the occupation of the area outside the Legislative Assembly building has ended. Agreements have been reached, and the president has left with his guards. The diplomatic corps also has left the building. As a result of the commitment reached in the negotiations, the government has until 30 January to pay compensation to thousands of demobilized Armed Forces soldiers, as established in the peace agreements.

[Panama City ACAN in Spanish at 2057 on 15 December carries a related 80-word report that adds: "Augusto Ramirez Ocampo, chief of the mission of UN Observers for El Salvador, negotiated with the demonstrators, some of whom were soldiers disabled during the 12-year civil war that ended last year. These talks led to the president and other officials being able to exit the Congress building."]

Cristiani Gives 13 Dec News Conference

PA1512143893 San Salvador Radio El Salvador Network in Spanish 1717 GMT 13 Dec 93

[News conference by President Alfredo Cristiani with local and international reporters at Government House in San Salvador, moderated by unidentified official; broadcast in progress—live]

[Excerpts] [Cristiani] ...the project of reforms to the Labor Code. In last Thursday's session of the Economic and Social National Concerted Effort Forum, there were some points unresolved despite the fact that government representative Dr. Sifontes explained that the year was about to end, the political campaign was in progress, and time was running out. He explained that it was important for them to try and reach consensus on pending issues at that meeting. Until then, of the 49 reform articles under discussion, 41 had been completed; there were no major differences in six or seven; and in two or three there were contradictory positions. Some progress was made regarding the six or seven points, but in the pending two or three points neither the labor nor the business sector showed flexibility. Therefore, we have

decided to present to the Legislative Assembly an intermediate position, which was even presented to the sectors last Thursday to help them reach an accord in the medium term.

However, this was not possible, and we have included said intermediate positions to seek a balance. The reforms to the Labor Code will be presented now. Basically, the reforms deal with principles derived from the Constitution and some international treaties, particularly ILO [International Labor Organization] accords, more than anything else. The very forum approved said accords during the aforementioned discussions. [passage omitted]

[Moderator] Wilber Gomez of El Noticiero.

[Gomez] Good day, Mr. President. I have three questions. One of them deals with statements by Shafik Handal, who said you spoke hastily on the assassination of Mario Lopez. He added that you said the Joint Investigating Commission would not be used to investigate this incident, because it is a common crime. What is your opinion on this? The second question is...

[Cristiani, interrupting] Since you said you would ask three questions, we better go one question at a time, because by the time you get to the last question I will probably have forgotten the first question.

I don't think I've spoken hastily on this case. I was asked a question by one of your colleagues during Air Force day commemorations, and I simply relayed the preliminary report we had received. I also said we would conduct an in-depth investigation, adding we could not at that time say anything final. We only relayed to the media an initial report that was given to us.

I believe that if some group must be careful about what it says and the accusations it makes, it is the FMLN [Farabundo Marti National Liberation Front]. After making such sudden accusations, there were violent incidents in which cars of people who had nothing to do with protests were burned. FMLN people took to the streets to protest following the hasty accusations that every murder in this country is politically related.

I would tell Mr. Handal to investigate both our backgrounds to see if the government or the guerrillas are the ones making hasty accusations. Perhaps you should judge who has acted with haste in this regard.

[Gomez] The next question is: Does the government have information on six peasants who were kidnapped last Saturday and who turned up dead today?

[Cristiani] As I said before, we received preliminary reports, I repeat preliminary reports, indicating that three possible suspects have been arrested in connection with this incident, which is still under investigation. This is all I can say for now.

[Moderator] Rosie Castillo of Nuevo Radiopolis.

[Castillo] Good morning, Mr. President. I will not ask you to summarize, as my colleagues have done. Specifically, former Planning Minister Fidel Chavez Mena has said you have done nothing to improve the economy. I would like you to tell us about the condition in which your government received the economy, the current situation, and how the government will repay the credit it has obtained.

[Cristiani] With regard to your last question on how we are going to repay the credit, foreign debt has not increased. We will end this five-year term with practically the same amount of foreign debt you just said we inherited. We have paid a large part of our domestic and foreign debt. In some cases we have even paid it in advance in order to avoid a reevaluation of our currency, which would affect our exports. In other words, we have used the mechanism of advance payment to use foreign exchange that must be transferred abroad. Frankly, with regard to your question about the economic situation, it would take us a long time to give you a picture of the disastrous situation the economy was in when we took over. Although we still haven't reached heaven, we are much better off now and on a better path.

Our economic growth was negative in the 1980's. There were negative international reserves, inflation rates of almost 30 percent, and a fiscal deficit equivalent to five precent of the GNP. We had several exchange rates, which distorted the market. Exchange rates were totally unstable and forcibly maintained—this is the exchange rate and that's that. It is easy to say, for example, that the exchange rate is five to one and then find there are no dollars for buying. Perhaps the most dramatic difference was the lack of confidence that existed in investing, in developing a business, etc., compared to what we have today, the result of a stable economic policy. The exchange rate has remained stable—I'm not sure exactly for how long—about three years—with no state control. The exchange rate is not fixed by us; it is set by the market. Growth since 1990 has been 3.5 percent, the same as in 1991. It was 4.5 percent in 1992, and we expect to close 1993 with a rate that surpasses 5 percent. We expect much higher growth for 1994.

Much is said about higher unemployment. I do not see how 6,000 new businesses opened without helping the unemployment problem even slightly. In the countryside everyone is getting paid above the minimum wage because there is a shortage of manpower. There is still unemployment; I do not want to say there is no unemployment, but to say that the problem of unemployment has worsened would be highly unrealistic. There is plenty of evidence to prove the contrary. The social security fund has seen an increase in membership. This means that people are now working who were not working previously. I speak, of course, of the private sector.

The Salvadoran Government now enjoys prestige in all international financial circles. When I took office none of the international institutions would give the country a

nickel. I can only rationalize what he [Chavez Mena] says if he perhaps believes we were better off in 1989. I do not know.

[Castillo] [Laughs] I agree. [passage omitted]

[Moderator] Carlos Mario Marquez, France-Presse.

[Marquez] Good morning, Mr President. What are your conclusions about the first year with the FMLN as a registered independent party? How are the land transfers going? Is it possible to expedite this before the end of the year?

[Cristiani] We have seen the FMLN integrate itself into the country's everyday political affairs. I believe there are certain attitudes they still need to modify, such as the generation of violence. These sort of things are no longer appropriate for a political party that operates according to the rules and in a legal state. But they have done political work. I understand they have attempted to organize on a national level. Until now they have not said exactly what they have to offer, so I am unable to comment, but I imagine what they would do in the event they... [pauses] which I doubt. I hope the FMLN continues to integrate as a political party and finds their true calling in municipal governments, in the Legislative Assembly, or anything else they opt for, but all the while observing our laws. In the case of land transfers, this is being expedited through permanent meetings. There is a specialized group handled by General Vargas on our behalf, together with FMLN and Onusal [UN Observers for El Salvador] people. Headway has been made with certain decisions that will allow the transfer of land. I believe things are going much more smoothly.

[Moderator] [Words indistinct] from Reuter.

[Reuter reporter] Can you tell us what happened to the files of the former DNI [National Investigation Directorate]? Where are they and who has them? Also, how many agents make up the national security battalion, the military intelligence battalion? Do their duties include internal security?

[Cristiani] Some of the DNI files that did not contain anything important were destroyed. Others that had possible... [pauses] that contained military intelligence reports are now kept within the military intelligence structure—no longer the DNI. There is no such battalion, that is, there is no single unit. All those units holding posts in the diverse units that have to do with military intelligence are called military intelligence battalions. But these are not involved in public security; this is strictly military intelligence.

[Reporter] How many agents are there?

[Cristiani] I have no idea; I cannot give you an exact number.

[Moderator] The last question by Douglas Tovar from [word indistinct].

[Tovar] I would like to know if the Joint Investigating Commission will analyze the various incidents that have taken place since the signing of the peace agreements. Which incidents will they analyze to see if armed groups existed? The other question is: How would you respond if the PRTC [Revolutionary Party of Central American Workers] refuses to allow Lopez' bodyguard to testify before the court?

[Cristiani] The investigation to be carried out by the technical-scientific investigating group—comprised by the Joint Commission—is not to see if they once existed. This group is going to investigate if illegal armed groups now exist. It is not going to review history. It is not going to investigate what might have happened in the 1970's and the beginning of the 1980's. It is going to investigate if in our country illegal armed groups—politically inspired—now operate within the country. They will have to take or analyze all the incidents that could have a bearing on this, the places where they might exist, who might belong to these groups. They will have to study this until they can obtain—if possible—concrete evidence that these groups exist. In this case, findings would be turned over to the Prosecutor General of the Republic to bring members of a group like this to justice. Depending on the reports or the findings of this technical-scientific investigating group, the Joint Commission could make a recommendation. That would be their task. It is their job to investigate the present, not the past.

What was the second question?

[Tovar] What about the bodyguard who might not be allowed to testify?

[Cristiani] I believe, from my point of view, which is not a very legal point of view because I am not a lawyer, this could be obstruction of justice. If he does not want to testify at this time or if the judge summons him and he fails to appear, then I understand this could be contempt of court [desacato]. I do not know if this is the correct legal term. Truthfully, this attitude of not allowing Mr. Lopez' bodyguard to testify leaves much to be desired. They are the ones who demand the truth the most; not allowing an eyewitness to speak seems to me... [pauses] perhaps what the bodyguard might say would not be to their advantage. Anyway, I do not know. It would be too bad if the PRTC does not allow this man to testify. In the first place, this is wrong because they are the ones who have asked for an in-depth investigation, and second, this may be a violation of the law through obstruction of justice.

[Moderator] Thank you, Mr. President. Thank you.

Corado Deems Declassified Documents 'Harmful'

PA1612044293 San Salvador Canal Doce Television in Spanish 0300 GMT 16 Dec 93

[Report by Alfredo Villarreal; from the "Up to Date" newscast]

[Text] According to Defense Minister Colonel Humberto Corado, the declassification of U.S. intelligence documents could undermine the electoral campaign and the whole peace process. Regarding investigations into the death squads, Col. Corado asserted that the Armed Forces will open its archives for the joint group's work.

Colonel Corado said he does not know what motives U.S. authorities may have for releasing classified information which states that high-ranking military chiefs who occupied key posts during the past war were involved in serious human rights violations. The defense minister says such information is harmful to the peace process and the atmosphere of reconciliation.

[Begin Corado recording, in progress] ...that these foreign factors, detached from the national situation, could, at a given moment, distort the atmosphere of reconciliation and harmony that we are trying to strengthen in the country for the common good.

In that sense, it would be interesting to know the political intentions of the media that promote the disclosure of this information. [end recording]

The military chief also said the Armed Forces will open their files for studies by the joint group investigating the illegal armed groups.

[Begin Corado recording] We are open to cooperation with them in everything that concerns us. Whatever they request from us we will be willing to provide to ease their work, as it is a commission formed by the Government of the Republic. In that sense, as an armed institution, we are willing to cooperate so that this matter can be clarified once and for all and we can all really be calm and know that there are no illegal structures in the Armed Forces. [end recording]

Col. Corado also condemned the murder of six peasants in the Primavera Canton of Santa Ana Department and asserted that the active duty personnel found responsible for the crimes will be discharged. He added that an investigation will be undertaken to determine whether others are involved.

Roundup of Economic Developments Through 14 Dec

PA1412220793

[Editorial Report] The following is a compilation of reports on Salvadoran economic developments monitored through 14 December. Source is given in parentheses following each item.

The Central Reserve Bank, BCR, of El Salvador has reported that the large inflow of dollars into the country in the last few months kept imported good prices from fluctuating much, and this in turn lowered the inflation rate. It added that the inflation rate dropped from 20 percent in 1992 to 12 percent in 1993. Moreover, the Salvadoran colon was devalued by only 2 percent, and this shows the stability of the Salvadoran economy. (San Salvador EL DIARIO DE HOY in Spanish 7 Dec 93 p 4)

The Salvadoran Foundation for Economic and Social Development, Fusades, has reported that Salvadorans living abroad send to their relatives more than $2.2 million daily. This has become the most important source of currency to support the national economy. Fusades analyst Mario Magana said that it is expected that in 1993 Salvadorans living abroad will send $823 million. That figure added to $1.139 billion worth of exports, official donations, and return of private capital would amount to $1.962 billion in currency received by the country in 1993. This heavy inflow overvalued the Salvadoran colon, and this kept the exchange rate stable throughout the year. As a result, the price of imports dropped, and the price of exports rose, thus decreasing the trade deficit by 7 percent to $1.180 billion. (San Salvador EL DIARIO DE HOY in Spanish 9 Dec 93 pp 3, 65)

The Central American Bank of Economic Integration has signed two loans with the Ministries of Planning and Public Works amounting to 22 million colones. They will be used in 16 schools to develop vocational programs in agricultural production, mechanics, computers, and tailoring and to maintain the urban road network and to widen important roads such as Army Boulevard. (San Salvador Canal Doce Television in Spanish 0300 GMT 11 Dec 93)

BCR President Roberto Orellana Milla has said that all economic goals for 1993 were reached. Among them, he said, accumulated inflation was not higher than 12 percent, economic growth was 5 percent, and currency stability was maintained because it depreciated by only 2 percent throughout the year. (San Salvador EL DIARIO DE HOY in Spanish 13 Dec 93 p 13)

Honduras

President-Elect on U.S. Visit, Cuba, Politics

PA1612042893 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 13 Dec 93

[Report on interview with President-elect Carlos Roberto Reina by Manuel Ardon; place and date not given; from "The Morning Paper" newscast; passages within quotation marks recorded]

[Text] Upon returning from the United States, President-elect Carlos Roberto Reina said he used his leisure time to talk with top U.S. officials, including Crescencio Arcos, former U.S. ambassador to Honduras. Reina added that it was up to the new deputies to elect the new Congress president.

[Reina] "It was a private visit. One of my daughters lives in San Antonio, Texas, and I took time out from my political work to devote a week to my family. It was very nice. I received several telephone calls from Washington. One was from Alexander Watson, U.S. assistant secretary of state for inter-American affairs, with whom I spoke briefly. I also spoke with former Ambassador

Arcos and some San Antonio personalities. I did an interview with the state's main newspaper, the SAN ANTONIO EXPRESS. I really stayed there to get away from my political activities.

[Ardon] "A lot has been said about the new Congress president. They were waiting for you to define the whole situation.

[Reina] "That will be decided by....[pauses] There was no need to wait for my return. The deputies will decide that. It will be up to them to study and decide who is the best person for a government with true complementary powers, where democracy is strengthened, and where there will not be friction among the state branches. I feel it is up to the deputies. I will meet with them. I want to have the best possible relations with the National Congress. They will make such an important decision. I have a single objective: a strong government. I mean a government that is strengthened within democracy, where there will be no problems among the executive, legislative, and judicial branches. We must promote, in this administration of moral revolution, the opinion of those elected by the people. Since there are 71 deputies....

[Ardon, interrupting] "There are 72.

[Reina] "There are 72. When I left I did not have the latest information. You tell me there are 72. They have the opportunity to be a deliberative body. This is not a matter of whom I prefer to be Congress president. We must figure out how to build stronger foundations beneath the government of the moral revolution.

[Ardon] "[Question indistinct]

[Reina] "If one of those you mentioned or somebody else is the best person, he will be chosen with a very open mind, through dialogue, which is the instrument of free men."

Carlos Roberto Reina also commented on the concern among public employees due to the announced dismissal of government employees who belong to the National Party of Honduras.

[Reina] "The Constitution provides for the government's integration. The dismissal was seen at the voting tables; it was a sweeping victory. Now the government must be organized according to the people's will.

[Ardon] "Is there any stability for government employees?

[Reina] "There are laws pertaining to these cases. There is a law on time in service; there is a legal structure we are obliged to respect."

Reina also explained the controversy surrounding the Cuban president's alleged visit. The president-elect said it is not a normal situation because our country does not have diplomatic relations with the Cuban Government.

[Reina] "We do not have diplomatic relations. Because there are no diplomatic relations with Cuba, the presence of a representative here is not a normal situation with this nation of the Americas. We hope Cuba will join the nations of the American Continent; it is what we all hope for. The cold war is over, this is the residue of those dramatic times.

[Ardon] "National Party political analysts say Fidel Castro and the Ortegas—if they are invited to the inauguration—do (?not) represent any threat to the nation. [sentence as heard] What is your opinion on this?

[Reina] "I respect those opinions. We will make our own [word indistinct].

[Ardon] "[Words indistinct] any possibilities?

[Reina] "The possibility of Cuba restoring its relations with the rest of the world? We have all wanted one system to prevail and for the OAS to solve the Cuba problem as soon as possible. Trade relations with Cuba do exist. We have said it, and we reiterate that people very close to President Callejas are engaged in big business with Cuba. There is nothing wrong with that, but if I would have done it, it would have been very wrong. Those are the political arguments.

[Ardon] "Will you support those businessmen who want to continue....

[Reina, interrupting] "They are, more than anything else, President Callejas' personal friends."

To conclude, Reina reiterated that he will not allow pressure of any kind to be exerted on his government.

[Reina] "I will not accept pressure of any kind. I have a very clear mandate from my people that I want to implement—God willing—according to my criteria and in keeping with the trust the Honduran people have placed in me, for which I am thankful.

[Ardon] "There has been violence in the country in the past few hours. Some analysts argue that we are defenseless in Honduras, that there is no political, judicial, or police security, that [words indistinct].

[Reina] "I have just returned from San Antonio, Texas, where there are juvenile gangs ranging in age from nine to 15 or 16 years old. They ride around in their cars and indiscriminately shoot at passers by. It happens every day. It is a real social scourge. Here, because one person died before the elections, it was said internationally that the electoral process had been bloody. I ask all my countrymen not to harm Honduras' name because of incidents like this particular one. It does not help the country. I would like for all of us to be very cautious when news of this nature is reported."

Callejas on Military Interest in Investigation Post

PA1512154993 San Pedro Sula LA PRENSA in Spanish 14 Dec 93 p 4A

[Report by Jorge Barrios]

[Text] Tegucigalpa—President Rafael Callejas said yesterday that, if the Public Security Forces, FSP, considers its officers to be discriminated against by the Law for the Creation of the Public Prosecutor's Office [Ministerio Publico], it has the right to resort to the judicial system in accordance with the national laws.

The president thus made reference to police claims that the said law, which was recently approved by the National Congress, is unconstitutional because it excludes the military officers from being possible aspirants to head the Department of Criminal Investigation, DIC, which is subordinate to the Public Prosecutor's Office. Callejas said the police feel that the article of that law that establishes that the director of the DIC shall be a civilian is discriminatory because it limits the access of Honduran soldiers to that post. Some time ago, an Armed Forces member expressed this concern to him individually and he conveyed it, for study, to the legislative committee that drafted the Public Prosecutor's Office draft bill, Callejas said.

The president said that, if there is interest in having the law modified, it must be proposed in the Legislative Chamber. He said there is opposition to that reform from sectors of the Liberal Party, reason for which Congress President Rodolfo Irias Navas, proposed that, to make modifications, there must be an agreement among all the parties that make up the Legislative Branch, which he termed as logical.

Callejas said "no citizen must be discriminated against because of the duties he fulfills." What is being questioned, he said, is that the law states what kind of citizen must occupy the directorship of the DIC, whereas the appointment should be the prerogative of the public prosecutor.

He pointed out that every institution and citizen has rights guaranteed by law and that, therefore, the military have the right to resort to the judicial system if they believe they are being discriminated against. If the legal action to be filed by the FSP is in accordance with the law, then it is within what is established in the constitutional framework.

Armed Forces Chief on Changes in Military

PA1412142493 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 13 Dec 93

[Report on interview with Armed Forces Commander General Luis Alonso Discua Elvir by unidentified reporters on 11 December in Tegucigalpa]

[Text] General Luis Alonso Discua Elvir, commander of the Honduran Armed Forces, made important remarks on 11 December during the celebration of the Army's 168th anniversary. He referred to subjects of particular importance for Honduras. Some people keep saying that the Armed Forces should reduce the number of their personnel or at least direct their activities to other areas. These opinions could be interpreted as a campaign against the institution. In turn, we questioned Gen. Discua about this.

[Begin recording] [Discua] [words indistinct] out of respect for the Honduran people and the institution, I wish to speak clearly once and for all. The Armed Forces have never opposed (?reorganization) and structural changes. We are aware of the need for this. Nevertheless, we must make changes naturally and professionally and not for personal gain or profit. The institution is aware of the need for change, and it admits that change must take place. Scorn and bad jokes, however, are out of the question. The matter should be treated seriously. Let me repeat: Out of respect for the Honduran people, we are and will always be willing to make changes.

As for the police, this is being discussed. We have met with various sectors, which will express their opinions in due time. The matter should not be dealt with politically.

[Reporter] It also has been said that the police should be placed under civilian authority. Is there any opposition to this?

[Discua] The president of the Republic has clearly expressed his opinion in his speech. I wish to make clear, however, that I do not want to enter into useless arguments through the media. I am serious and prefer to talk things over with the right people at the right time to avoid creating a monster that later cannot be controlled. The police should be a national, permanent, apolitical, and professional institution fully at the service of the Honduran people.

[Reporter] Gen. Walter Lopez says there are rumors about this already.

[Discua] As I have said, we talked with the president-elect in private. We are living in a time when there must be changes. We have never opposed change. Nevertheless, we do oppose making rash, unplanned changes. Changes must be studied carefully for the good of the Honduran people.

[Reporter] Does this mean you agree with handing the police over to civilian authority after a certain period of time?

[Discua] There must be a process. There have been examples in other countries where similar processes have been initiated, and I believe they have had regrettable experiences. It will take years for the Honduran police to become fully aware of their role in Honduran society. This cannot happen overnight.

As for violence, it is not solely up to the police to stop crime. You saw two policemen killed yesterday. Yet no

one has reacted. It is as if policemen are not human beings; instead, they appear to be extraterrestrials.

These policemen were good people. They died in the course of duty, and yet no one has said anything. You see how policemen risk their lives by confronting well-prepared criminals. We have open borders. We deal with organized crime—something we did not have in the past. Because of the problems experienced in El Salvador, Nicaragua, and Guatemala, we must deal with international car-theft rings and more sophisticated types of crime. The police also are better trained because we have academies. Everyone seems to think crime prevention is solely the responsibility of the police, but everyone must do his own part. Parents should chastise their children when they commit petty offenses. This is everyone's problem, not just the problem of the Armed Forces.

[Reporter] Does this mean that the wave of violence shaking the country will not diminish?

[Discua] I doubt it. In the United States, entire towns have armed themselves, and this has created additional problems. We still have not reached the crime level of other countries. I think the situation here can still be controlled. Nevertheless, the positive actions of the police go unseen. They are never publicized. Only the bad things receive publicity. People behave like that. The police, as an institution closely associated with the population, will always be misunderstood, as happens everywhere else in the world.

[Reporter] Will the fact that there is no more war in Central America lead to a reduction in the number of Armed Forces members?

[Discua] I expected such a question. It is necessary to delve deeper into the sociopolitical nature of the state. The state never has enemies; it only has antagonists. There are state interests. Honduras must be prepared and know exactly what is good for it. There are national objectives and interests, which is something very few people understand. This lack of understanding, however, does not mean they do not exist. Obviously, we cannot deny there are soldiers and guerrillas on the other side. This is not what we are talking about. Let us bear in mind that each state projects its interests onto other states. Very few people appreciate this, but we who study Central America's geopolitical strategy can and do appreciate and understand this concept.

[Reporter] Can your words be interpreted to mean that you agree to make changes in the Armed Forces but not to reduce the number of their members?

[Discua] Such an idea must be studied carefully. [end recording]

Nicaragua

Ortega: U.S. 'Agents' Reviewing Lists of Citizens

PA1512174693 Paris AFP in Spanish 1450 GMT 14 Dec 93

[Text] Managua, 14 Dec (AFP)—Former Nicaraguan President Daniel Ortega said on Tuesday that U.S. intelligence services are participating in the review of the lists of nationalized Nicaraguan citizens with the consent of top local officials.

The former president told the media that he has "evidence" that agents from the CIA, FBI, and the National Security Agency are participating in the drafting and reviewing of lists of citizens of Arab origin who were nationalized during the previous Sandinist government.

Ortega, who participated on Monday night in an event to condemn the persecution of foreigners who have acquired Nicaraguan citizenship, directly accused Foreign Minister Ernesto Leal, Deputy Foreign Minister Jose Pallais, Government Minister Alfredo Mendieta, and Deputy Government Minister Frank Cesar of being the accomplices of the U.S. agencies. "These officials have provided lists and all the necessary information on the nationalized citizens with an emphasis on those of Arab origin," according to Ortega, who accused President Violeta Chamorro for the "serious actions that violate human rights."

In March of this year, Nicaraguan passports were found among the documents confiscated from one of those involved in the attack on the World Trade Center in New York.

Last week the Nicaraguan Government asked the 900 foreigners who were nationalized between February and May 1990, right before the end of the Sandinist government, to put their records "in order" and update their situation in the country. The appeal was made after the authorities stripped Italian Alessio Casimirri of his Nicaraguan citizenship on 2 December after being accused of committing fraud to obtain Nicaraguan citizenship.

Casimirri is a fugitive from Italian justice, which sentenced him to life in prison for his alleged participation in the kidnapping and murder of Aldo Moro in 1978. In May of this year three Basques with Nicaraguan citizenship were deported to Spain after the authorities found irregularities in their naturalization documents.

President Emphasizes Benefit of Budget Debate

PA1512161093 Managua Sistema Nacional de Television Network in Spanish 0100 GMT 14 Dec 93

[Report by Vilma Estrada; from the "National Newscast"]

[Text] President Violeta Chamorro has pointed out that the national budget gives priority to the neediest sectors and provides more resources to the national police for

more efficient performance. In statements to the press, President Violeta Chamorro supported discussions surrounding the national budget since it includes opinions by various sectors.

[Begin Chamorro recording] Some really positive things are finally being discussed. If everything proceeds accordingly it will benefit the neediest sectors, be it the police or [words indistinct]. [end recording]

The president rejected allegations that the government was failing to provide enough information to some private media.

[Begin recording] [Chamorro] I do not censor any media because I do not agree with censorship, and I am not going to curtail freedom of the press.

[Unidentified reporter] President Chamorro, your administration's main feature is that it has constantly tried to promote dialogue and reconciliation. What is your opinion now that discussions are finally taking place?

[Chamorro] We are making progress. We all want dialogue; we all want to unite and take reponsibility for our actions which in turn will encourage unity among all Nicaraguans. [end recording]

The Nicaraguan president recalled that according to agreements with the U.S. Government, approved financial aid could arrive sometime during January 1994.

Panama

Trade Talks Held With Ecuadoran Officials

PA1512235493 Panama City LA PRENSA in Spanish 14 Dec 93 p 5

[Report by Edith Castillo Duarte]

[Text] According to information disclosed by Jorge Garcia, Ecuadoran minister of industry, commerce, integration, and fisheries, following a meeting in Panama City with high-level government officials, Ecuador and Panama are currently negotiating a bilateral treaty to be signed "as soon as possible."

"We have initiated talks that could lead us to a bilateral agreement as soon as possible, thus fulfilling an aspiration of both governments," the Ecuadoran official indicated.

Garcia said the meeting, which was held at the Commerce and Industry building, was a result of Panamanian Vice President Guillermo Ford's initiative during a recent visit to Ecuador, where he extended an invitation. Garcia said: "We are here to talk about trade issues that interest both countries."

The minister emphasized that trade relations between Panama and Ecuador are "very active" since Panama has been able to export more than $73 million, while Ecuador has exported more than $20 million. Nevertheless, he pointed out that "when it comes to crude oil, both countries are more or less equal." Vice President Ford, Ecuadoran Commerce Deputy Minister Juan Doumet, business leaders from both countries, and members of the Mixed Specialized Commission participated in the meeting, which was held in the offices of acting Commerce Minister Ricardo Fabrega.

Dario Selles, former president of the Association of Panamanian Industrialists [SIP], said Ecuador presented a proposal for a limited [alcance parcial] agreement and that Panama is very interested in initiating such bilateral trade agreements with all South American countries.

The business leader said "Ecuador had expressed its interest in commercial exchange and presented a proposal that we will analyze and answer, probably before the end of the year."

According to Selles, the agreement would give Panamanian industrialists access to an additional market and encourage the necessary steps to modernize and promote Panamanian industry.

Carlos Castaneda, Panamanian Foreign Trade Institute (IPCE) international relations director, said both governments are interested in signing the agreement "as soon as possible." The countries could even exchange a preliminary list of products as early as this week.

Castaneda warned, however, that it is still "premature" to talk about specific products that will be included on the lists that will be part of this bilateral trade agreement.

Poll Shows 72 Percent Want U.S. Bases To Remain

PA1312223893 Panama City EL PANAMA AMERICA in Spanish 11 Dec 93 p 1A

[Article by Juan Pritsiolas]

[Text] A poll conducted by the firm CID/Gallup for EL PANAMA AMERICA has revealed that seven out of 10 Panamanians think the United States should maintain bases in Panama after the year 2000. The survey, based on 1,200 interviews, was conducted from 9 to 18 November in the country's metropolitan areas and the interior.

Seventy-two percent of those interviewed said that Southern Command bases "should remain in Panama," 20 percent said no, and 8 percent gave no opinion. The United States must withdraw its military forces from Panama at the latest by 31 December 1999, as established by the canal treaties. The Southern Command was established in 1911 and presently has 10,000 soldiers on the banks of the canal. The CID/Gallup poll revealed that 83 percent of Arnulfist Party members interviewed want the U.S. bases to remain in Panama, as well as 61 percent of Democratic Revolutionary Party members; 75 percent of the Papa Egoro Movement; 80 percent of

Nationalist Liberal Republican Movement members; and 73 percent of Christian Democratic Party members.

Another subject studied in the survey was Panamanians' personal security. The number of robbery victims declined in the last four months.

Eighty-nine percent of Panamanians said they have never been robbed, and 11 percent admitted that they have been robbed.

Roundup of Economic Developments Through 14 Dec

PA1412185093

[Editorial Report] The following is a compilation of reports on Panamanian economic developments monitored through 14 December. Source is cited in parentheses following each item.

Ricardo Duran, president of the Panamanian Chamber of Commerce, Industries, and Agriculture, has reported that commercial activity is on the rise. As a result, unemployment and consumer prices have decreased. He added that imports have increased 11 percent this year, sales 12.1 percent, hotel occupancy rates 9 percent, tourists' spending 7.9 percent, commerce 7.6 percent, canal tolls 9.2 percent, and banking activity 19.7 percent. Duran also reported that unemployment was 11.8 percent in 1987, 17 percent in 1990, and 13 percent in 1992. He pointed out that the average price of basic staples increased by 0.2 percent; this shows that Panama has nearly no inflation compared to other countries. (Panama City LA ESTRELLA DE PANAMA in Spanish 8 Dec 93 p A1)

Ricardo Fabrega, commerce and industries deputy minister, and Ecuadoran Ambassador to Panama Gustavo Bucheli, have exchanged documents that will serve as the bases for a free trade agreement that the two countries plan to sign. (Panama City Circuito RPC Television in Spanish 2300 GMT 13 Dec 93)

Brazil

Negotiator Assesses Uruguay Round Aspects

PY1412194993 Rio de Janeiro O GLOBO in Portuguese 12 Dec 93 p 7

[Article by Luiz Felipe P. Lampreia, Brazilian negotiator at the GATT Uruguay Round]

[Text] The Uruguay Round, the greatest economic negotiation of the 20th century, will conclude this weekend in Geneva. For seven years—it started in Punta del Este in December 1986—it has involved thousands of negotiators, captured the attention of 117 countries, and mobilized hundreds of lobbyists, attorneys, and politicians. Now, on the afternoon of 13 December, the time has come to close the package, a huge package of thousands of pages of legal jargon and lists of tariffs.

As the negotiation is still underway, it is hard to determine the definite gains and losses for the international community in general and for Brazil in particular. Many sectors have already reached agreement, however, and so it is only reasonable to make a preliminary assessment.

Recent estimates disclosed by the GATT secretary confirm the conclusions of studies by the OECD and the World Bank, which state that the results of the negotiations will increase international trade to around $745 billion within the next 10 years, with profits amounting to approximately $230 billion per year by the year 2005, just by implementing the agreements reached on market access.

Better terms for the access of Brazilian exportable goods to the markets of our main commercial partners is included in the package of texts being concluded this week, some of which involve more rigid regulations, improved procedures, and new institutional arrangements to better regulate international trade for the benefit of small and medium exporters.

By beginning to free its trade in 1990, Brazil achieved the right—during the negotiations that are now concluding—to seek and to a great extent strengthen a multilateral system in which there will no longer be room for arbitrary actions or practices that will harm our international trade.

Our credibility as a partner, capable of contributing to the construction of a more open, clear, and predictable order has, together with our Mercosur [Common Market of the South] partners and other developing countries, allowed a reversal of certain protectionist tendencies and attained important objectives in the field of agricultural, which has always been subject to a series of exceptions, and textiles, which for almost three decades has been ruled by the derogation of the General Agreement, in other words, great protectionist measures.

From Brazil's viewpoint, of the improvements introduced into the GATT's mechanism to solve controversies, the quantitative exercises are very important because their implementation ensures the protection of the interests of countries with similar characteristics to ours from violations of the agreed principles, and especially against any resorting to unilateralism. The creation of a Multilateral Trade Organization will certainly contribute to the monitoring, implementation, and vigilance of the compliance of the new pursuits on a much more solid basis than those of the GATT, which has always been acknowledged as a protocol that would elapse with the passing of time.

The most favored nation clause and the results obtained through the exchange of bilateral concessions will enable Brazilian exports to benefit from tariff reductions within the community market. To cite just one example: Brazilian exports will benefit by an average of nearly 37 percent. As in any negotiations, there will always be an imbalance between the pursued objective and the result obtained and it can be argued that the results obtained in certain sectors or for certain products could have been more substantial.

The special sensitive nature of certain products must be considered and the fact that Brazil is not the main supplier of a product of interest make it difficult to obtain larger cuts in tariffs. It must be pointed out that every product in which we had a priority interest was included in the discussion on reducing tariffs. Our suggestions never surpassed, in quantitative or qualitative terms, the values submitted to us and the levels of Brazilian tariffs and the commitment to establish a common external tariff for the Mercosur countries were always respected.

On one hand, even though it would have been possible to guarantee more trade opportunities for our exporters within an international environment that is ruled by stable and strengthened rules, on the other, the cost of those advantages is processed in terms and conditions that will allow the Brazilian industrial sector to develop and readjust with sufficient protection to face external competition on an acceptable basis. A new era in the history of relations between nations begins with the conclusion of negotiations, a story in which Brazil has an important role to play due to its vocation for multilateralism, its diversified economy, and its trade profile.

Says Agreement Benefits Country

PY1512191693 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Dec 93 p B18

[Article by correspondent Reali Junior]

[Text] Geneva—Brazil believes in the success of the Uruguay Round of negotiations under the auspices of the General Agreement on Tariffs and Trade (GATT) for the liberalization of world trade, the deadline for which, after seven years of debate, will expire tomorrow. The Brazilian Government is aware that if there is no greater

discipline in international trade it will hardly be able to seek refuge in one of the two main megablocks polarizing the debate within GATT: North America (the United States, Mexico, and Canada), and the European Union.

Brazilian Ambassador to GATT Luis Felipe Lampreia has told O ESTADO DE SAO PAULO that "a multilateral organization such as GATT is essential for overseeing and supervising international trade practices." He added: "Otherwise the developing nations will be subjected to the free will of the great powers, which could issue their own rules in international trade."

Despite the difficulties and certain imperative concessions in a negotiation of that nature, the Brazilian Government orientation which has been transmitted to its representatives in Geneva is that, preserving their priority interests, everything possible must be done so that the agreement may be concluded quickly. According to a Brazilian Government preliminary study, Lampreia stressed the advantages that several industrial and service areas of the country will obtain with a greater liberalization of the world market: globally, Brazil would obtain important benefits with a tariff reduction greater than 40 percent in the industrial area. Among the areas where Brazilian advantages are clearly seen are those of steel, aluminum, paper, and wood. In several areas these advantages imply gaining important markets. But any negotiation implies concessions. The Brazilian Government had to withdraw its proposal on oil seeds, for instance, as the solution found for the problem of reducing agricultural subsidies in the European Union area was considered unsatisfactory.

Lampreia added: "At the same time we are not doing anything that could represent any sacrifice for Mercosur [Common Market of the South] especially because the four countries are negotiating side by side, submitting compatible proposals."

In the controversial textile area Brazil has never managed to become as important an actor as the United States, India, and Pakistan. This deals with the opening of the U.S. market, and so far they have been reluctant to admit a greater opening in that area.

In at least one aspect Brazil has revealed a certain sympathy for the French position, even though Ambassador Lampreia seeks to make a very clear distinction. It is not a matter of support for the much ballyhooed French cultural exception, but Brazil, as an exporter of audiovisual products (soap operas), even while favoring the liberalization of the market admits that cultural goods must be treated in a specific manner. The Brazilian representative in Geneva admits that some sectors must stay out of the general agreement. Lampreia cites as examples of "cards taken out of the deck" basic telecommunications and maritime transport, negotiations for both of which are still at an impasse.

Supreme Court Declares Provisional Tax Legal

PY1612023793 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 15 Dec 93

[Text] The Provisional Tax on Financial Operations, IPMF, will start being collected on 1 January. By eight votes in favor and one against, the Federal Supreme Court, STF, today decided that the tax on checks is legal.

Nine of the 11 STF justices participated in the voting. Coordinator Justice Sydney Sanchez has approved the decision to collect the IPMF, and only exempted state and county governments, the Federal District, and government organizations and foundations from paying this tax. Other justices also approved the tax, but added to the list of exempted organizations other names. When the score was three to one in favor of collecting the IPMF, Justice Marco Aurelio Mello compared the tax to a confiscation of assets, and deemed it unconstitutional [as heard]. The three following justices—Mario Veloso, Celso de Mello, and Paulo Brossard—increased the score to six to one in favor of collecting the tax.

The IPMF, which is also known as the tax on checks, has been in force this year for 22 days. Its collection was suspended by the STF in September because a tax cannot begin being collected the same year it is created. After today's decision, however, individuals and companies will again pay a 0.25 percent tax on each financial operation beginning 1 January. The STF complied with what is established in the Constitution and exempted state and county governments, the Federal District, government organizations and foundations, churches, political parties, educational and social assistance institutions, labor unions, books, newspapers, weeklies, and the paper to be used in their printing from paying the IPMF.

Military Seeking Congressional 'Bloc' in Elections

PY1512205093 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Dec 93 p A8

[Article by Gabriel Nogueira]

[Text] Rio de Janeiro—The military are organizing themselves to participate in the upcoming elections. They will present congressional candidates seeking to win at least one seat for every state in the Chamber of Deputies. Reserve General Nilton Cerqueira, president of the Military Club, who will seek a seat in the Chamber of Deputies for the PP [Popular Party], told this much to ESTADO yesterday. The most controversial candidacy, launched during a luncheon attended by members of the three Armed Forces branches yesterday, involves General Newton Cruz, who will be running for Rio de Janeiro's governorship. Cruz was chief of the National Intelligence Service (SNI) during the military regime.

"The idea is to create a mentality of political participation within the Armed Forces," Reserve Colonel Eri Goncalves, a deputy candidate for the PP, explained. "Military clubs will encourage all talented officers to

run," Cerqueira said. According to him, political parties do not matter. "We want a strong bloc, independent from partisan influence," Cerqueira emphasized, adding that even the Protestants have their own bloc in Congress.

The ambition to create a congressional bloc to represent the military at the Chamber of Deputies does not end there: There will also be military candidates running for seats at state legislative assemblies. Cerqueira figures there are 500,000 reserve and active duty military officers, and that they and their relatives could produce 2 million votes throughout the country. Deputy Jair Bolsonaro (RJ) [Rio de Janeiro], who is working his way out of the PPR [Progressive Renewal Party], wants his brother, Lieutenant Renato Bolsonaro, who is serving in Sao Paulo, to run for deputy with the support of Sao Paulo military voters. [as published]

In Rio de Janeiro alone, 59 candidates with links to one of the three Armed Forces branches should compete in the election. Contrary to previous years, the most representative candidacies have the support of the Naval Clubs, the Aeronautics Clubs, and the Military (Army) Clubs. In the past elections, and without the support of these organizations, only Rogeria Bolsonaro, wife of the deputy, was able to win a seat as Rio de Janeiro's councilwoman.

Currently there are nine legislators with links to the Armed Forces in Congress. "But only I defend the interests of the military," Bolsonaro stressed. Other military representatives are Senator Jarbas Passarinho (PPR-PA) [PPR—Para], who is a reserve colonel; Senator Levy Dias (PTR-MS) [Brazilian Labor Party—Mato Grosso do Sul] who is a sergeant; Deputy Aroldo de Oliveira (PL-RJ) [Liberal Party—RJ] who is a captain; Colonels Mauro Borges (PP-GO) [PP—Goias], Alacid Nunes (PFL-PA) [Liberal Front Party—PA], and Luiz Moreira (PTB-BA) [PTB—Bahia]; Joao Fagundes (PMDB-RR) [Brazilian Democratic Movement Party—Roraima], who is a lieutenant colonel; and Manuel Moreira (PMDB-SP) [PMDB—Sao Paulo], who is a second sargeant.

Within the next few days military clubs will define the strategy for a march on Brasilia, which should take place during February, to demand from Congress "an in-depth" investigation of the budget corruption scheme and the punishment of those involved. According to Cerqueira, the idea is "to really pressure" legislators. This pressure should include the issue of military salaries and equipment. "We want to show that the fury of the Roman Empire is still here, and that our skeletons will not yet be whitening under the desert sun," Cerqueira warned. He said the movement will not be a military movement, will not establish any disciplinary regulation, and will only work for citizens' rights.

Daily Praises Military Commanders' Political Positions

PY1412194693 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Sep 93 p A3

[Editorial from the "Notes and Information" page: "The Language of Arms"]

[Text] Aeronautics Minister Brigadier Lelio Lobo has greeted the president and has outlined the position of the members of the Armed Forces in a careful comparison with the various sectors of society. General Benito Leonel, chief of the Army Staff (EME), greeted the new Army generals and gave a general picture of the situation in the country, explaining the Armed Forces' role in that situation. The aeronautics minister said he hopes the president will have the energy and determination to "enforce the measures that must be adopted to improve the political, economic, and social health of our suffering country." The EME chief reaffirmed to his subordinates the position of the Army: It opts for democracy and for broader agreement, is certain that this juncture will serve to purify the institutions, and believes that in time the value of "military service" will be recognized. In addition to reaffirming the Army position, Gen. Leonel made a point of disclosing a letter by Centurion Marcus Flavinius, who condemned those who are "hesitant and distressed, and easily yield to the stronger temptations of giving up, of dishonoring our nation." The letter ends with a serious warning to those who contribute to the creation of such situations, which are harmful to soldiers' morale: "Watch out for cholera in the legions."

It took time for the military commanders to speak. The speech by Brig. Lobo conveyed the feeling of frustration of those who receive no overtime pay and who sacrifice themselves to help the have-nots, teaching them to read and write, teaching them the elementary principles of civic life, without holding "strikes, marches, or public rallies." Gen. Leonel said that "the basic principles of democracy are being put to a hard test" because we are living "a painful situation (which creates) hopelessness, the feeling of having lost something, and even a dangerous, generalized disbelief in institutions and in their leaders." Even though the Armed Forces took time to express themselves about the current situation, they did it firmly and in a timely manner. The words by both Brig. Lobo and Gen. Leonel were imbued with direct or veiled criticism of civilians, especially the "striking" unions and Congress, which hesitates to punish those who have impaired congressional honor and dignity. Such behavior has jeopardized "the basic principles of democracy" and, as the EME chief put it—and it is good to reiterate it in order to clarify everyone's position—it has produced a generalized disbelief in institutions.

Certainly, considering the proximity of 13 December (Institutional Record No. 5 was issued 25 years ago), many people would have preferred that the military commanders remain silent. They spoke, and it was better that they did, especially at a time when the rumors

circulating represent a destabilizing factor for democracy, with "conspiracy" among reserve officers and the possibility of the "Fujimorization" of the country. In speaking, the military commanders at least made it clear that the Armed Forces support democracy, even if the distrust of the commanders is part of the current circumstances.

Gen. Leonel could have described a darker picture of the situation: a president who refuses to deal with major issues and lets the discussions between his subordinates reach extreme levels; institutions that are heading toward the destruction of their morale, as is happening with Congress, which cannot say a strong "no!" to the pressure of corrupt and corrupting groups; a Judicial Branch that resists—through the Supreme Court—a more detailed examination of the bidding for construction of its new building; an Executive Branch that has not yet been healed from the evils that produced the impeachment of President Collor de Mello (or are congressmen the only ones responsible for the affair that the budget CPI [Congressional Investigating Committee] is probing?). Only those who say nothing in order to be considered thoughtful persons might remain silent in the face of this situation, which Gen. Leonel depicted as somewbat obscure.

Furthermore, it is good to recall that the military were not taking a step ahead of politicians. The PT [Workers Party] discussed with the military the evolution of events within the CPI. The military were thus brought to the front lines of institutional policy. The military are aware of the crisis, and many of them today identify themselves with the huge masses of that "suffering country." They trust, however—as was clearly stated by Gen. Leonel—that the branches that are in jeopardy will overcome the crisis into which they have been plunged, in order to help build the "new, respectable Brazil" which Brig. Lobo mentioned. The new Brazil, which in the aeronautics minister's speech—he spoke on behalf of the three branches—was identified with "the power of the new century...."

Chile

Interior Ministry Releases Names of Elected Deputies

PY1512180193 Santiago Radio Cooperativa Network in Spanish 1000 GMT 13 Dec 93

[District numbers as heard]

[Text] The Interior Ministry has released the list of elected deputies according to the latest general tally, after counting 26,468 balloting stations, 98.49 percent of the total in the country.

The results are as follows:

District 1. Arica, Camarones, Putre: Carlos Valcarce, RN [National Renewal]; Salvador Urrutia, PPD [Parties for Democracy].
District 2. Iquique and Pozo Almonte: Ramon Perez, RN; Jorge Soria, PPD.
District 3. Tocopilla and Calama: Carlos Cantero, RN; Fanny Pollarolo, Independent.
District 4. Antofagasta and Taltal: Felipe Valenzuela, PS [Socialist Party]; Ruben Gajardo, PDC [Christian Democratic Party].
District 5. Chanaral and Copiapo: Erick Villegas, PDC; Carlos Vilches, RN.
District 6. Caldera, Vallenar, Huasco: Armando Arancibia, PS; Baldo Prokurica, RN.
District 7. La Serena, Vicuna: Joaquin Palma, PDC; Eugenio Munizaga, RN.
District 8. Coquimbo and Ovalle: Jorge Pizarro, PDC; Francisco Encina, PS.
District 9. Illapel and Los Vinos: Renan Fuentealba, PDC; Isabel Allende, PS.
District 10. La Ligua, Quillota, Calera: Ignacio Walker, PDC; Alfonso Vargas, RN.
District 11. Los Andes, San Felipe: Nelson Avila, PPD; Claudio Rodriguez, RN.
District 12. Limache, Quilpue, Villa Alemana: Arturo Longton, RN; Ivan de la Maza, PDC.
District 13. Valparaiso, Easter Island: Aldo Cornejo, PDC; Francisco Bartulucci, UDI [Independent Democratic Union].
District 14. Vina del Mar: J. Makluf, PDC; Raul Urrutia, RN.
District 15. San Antonio, Casablanca: Samuel Venegas, PDC; Evelyn Matthei, independent, of the Union for Progress coalition.
District 31. Melipilla, Penaflor: Juan Antonio Coloma, UDI; Vicente Sota, PPD.
District 32. Rancagua: A. Garcia Huidobro, UCC [Center-Center Union]; Anibal Perez, PS.
District 33. Rengo, Granero, Somachali: Juan Pablo Letelier, PS; Andres Chadwick, UDI.
District 34. San Fernando, San Vicente: S. Morales, PR [Radical Party]; J. Masferrer, UDI.
District 35. Santacruz, Piachilla, Pichilemu: Juan Carlos Latorre, PDC; Jose Hurtado, RN.
District 36. Curico, Teno, Molina: R. Leon, PDC; Sergio Correa, UDI.
District 37. Talca: Sergio Aguilo, PS; Homero Gutierrez, PDC.
District 38. Constitucion, Maule: Pedro Alvarez-Zalamanca, RN; Romy Rebolledo, PPD.
District 39. Linares, San Javier, Colbun: Luis Ferrada, RN; Jaime Naranjo, PS.
District 40. Cauquenes, Parral: G. Ceroni, PPD; Osvaldo Vega, UDI.
District 41. Chillan, Jungay: Isodoro Toha, PS; Pedro Martinez, independent.
District 42. San Carlos, Bulnes, Yumbel: Hosain Sabag, PDC; Felipe Letelier, PPD.
District 43. Talcahuano: Jorge Ulloa, UDI; Jorge Barrueto, PPD.

District 44. Concepcion: Jose Miguel Ortiz, PDC; Jose Antonio Viera-Gallo, PS.
District 45. Penco, Tome, Coronel: Edmundo Salas, PDC; A. Navarro, PS.
District 46. Lota, Arauco, Curanilahue: Martita Woermer, PPD; Jaime Rocha, PR.
District 47. Los Angeles, Mulchen: Octavio Jara, PPD; Victor Perez, UDI.
District 48. Angol, Collipulli, Traiquen: Edmundo Villouta, PDC; Francisco Bayo, RN.
District 49. Curacautin, Victoria: Jose Antonio Galilea, RN; Miguel Hernandez, PDC.
District 50. Temuco: Francisco Huenchumilla, PDC; Jose Garcia, RN.
District 51. Carahue, Nueva Imperial: Teodoro Ribera, RN; Eugenio Tuma, PPD.
District 52: Cunco, Villarrica, Loncoche: Rene Garcia, RN; Mario Acuna, PDC.
District 53. Valdivia, Mariquina, Lanco: Exequiel Silva, PDC; Juan Enrique Taladriz, RN.
District 54. Panguipulli, La Union: Crlos Caminondo, RN; Jose Luis Gonzalez, PPD.
District 55. Osorno, San Juan de la Costa: Marino Prochelle, RN; Sergio Ojeda, PDC.
District 56. Purranque, Puerto Varas: Victor Reyes, PDC; Harry Jurgensen, RN.
District 57. Puerto Montt, Calbuco: Sergio Elgueta, PDC; Carlos Kuschel, RN.
District 58. Castro, Ancud, Quellon: Gabriel Ascencio, PDC; Claudio Alvarado, independent, of the Union for Progress coalition.
District 59. Coyhaique, Aisen, Chile Chico: V. Solis, UCC; Hector Zambrano, PDC.
District 60. Puerto Natales, Punta Arenas: Pedro Munoz, PS; Vicente Karelovic, indendent, of the Union for Progress coalition.

Senate-Seat Winners Listed

PY1512172293 Santiago Radio Cooperativa Network in Spanish 1000 GMT 13 Dec 93

[Text] The Coalition of Parties for Democracy, CPPD, obtained nine seats in the Senate while the Unity for the Progress of Chile obtained the other nine seats in dispute, according to the Interior Ministry's latest vote count released after the votes from 7,475 voting stations, that is 98.25 percent of the voting stations, were counted. Thus, here are the various winners by district:
First District, First Region—Arica and Iquique
Julio Lagos, National Renewal, RN
Sergio Bitar, Party for Democracy, PPD
Third District, Third Region—Copiapo and Vallenar
Ignacio Perez Walker, RN
Ricardo Nunez, Socialist Party, PS
Fifth District, Fifth Region, Mountainous Area—Los Andes and Quillota
Sergio Romero, RN
Carlos Ominami, PS
Sixth District, Fifth Region, Coastal Area—Valparaiso and Vina del Mar
Beltran Urenda, Independent Democratic Union, UDI
Juan Hamilton, Christian Democratic Party, PDC
10th District, Northern Seventh Region—Curico and Talca
Francisco Javier Errazuriz, independent candidate running for the Unity for the Progress of Chile ticket
Jaime Gazmuri, PS
11th District, Southern Seventh Region—Linares and Cauquenes
Hernan Larrain, UDI
Manuel Antonio Matta, PDC
14th District, Northern Ninth Region—Angol and Cuaracautin
Francisco Prad, RN
Roberto Munoz, PPD
15th District, Southern Ninth Region—Temuco and Villarrica
Sergio Diez, RN
Jorge Lavandero, PDC
18th District, 11th Region—Aysen and Chile Chico
Antonio Horvath, independent candidate running for the Unity for the Progress of Chile ticket
Adolfo Zaldivar, PDC

Right-Wing Deputy Candidates Win in Key Districts

PY1512171393 Madrid EFE in Spanish 0910 GMT 12 Dec 93

[Text] Santiago de Chile, 12 Dec (EFE)—The triumph of the rightist electoral pact, with the election of the two deputy seats available in the key Las Condes District in eastern Santiago, did not clear up doubts on the leadership the rightist opposition will have vis-a-vis the government of Chilean President-elect Eduardo Frei.

The two styles and platforms that separate the right, that of the ultraconservative Independent Democratic Union (UDI), with Carlos Bombal, who was Santiago mayor under the regime of General Augusto Pinochet, and that of Andres Allamand, the National Renewal (RN, closer to the center-right) president, will be represented in the Chamber of Deputies.

At any rate, Bombal gained a slight advantage because he received 34.87 percent of the votes in Las Condes District while Allamand received 31.22 percent in an area described as exclusively rightist territory.

Although Allamand himself had expressed his doubts about the possibility that the rightist candidates would win the two seats in dispute, this was what actually happened and Christian Democratic Party [PDC] candidate Eliana Caraball, the Chamber of Deputies [as received] president, was defeated.

Allamand's stance in his campaign, distancing himself from the "Pinochetism" portrayed by Bombal, allowed him to receive split-ticket votes, that is, voters who voted for PDC Senator Eduardo Frei, the current president-elect, and for Allamand on the rightist opposition ticket.

In addition, despite some predictions, Bombal was not punished for having changed from Central Santiago District to Las Condes District, where the well-to-do people live in the Chilean capital.

Even though the UDI did not gain a seat, now in Central Santiago District, Alberto Cardemil, Allamand's fellow party member, was elected, receiving 26.62 percent of the votes. Nevertheless, Cardemil was second to Jorge Schaulson, who was reelected as Party for Democracy [PPD] deputy. The PPD is a member of the ruling coalition alliance.

Cardemil is remembered for his activities as interior under secretary during the military regime, when he was accused of procrastinating and manipulating the delivery of the vote count in the 5 October 1988 plebiscite as, late in the evening, he announced an early vote count, with 2 percent of the votes counted, in which Pinochet was winning.

The general, who came to power after the military coup of 11 September 1973, was comfortably defeated in the plebiscite in which 54 percent voted "No" on another eight years of military regime and 43 percent voted "Yes."

Another surprise occurred in La Florida District in southern Santiago where the two ruling coalition alliance candidates, Carlos Montes, reelected with the largest number of votes, and Mariana Aylwin, Chilean President Patricio Aylwin's daughter, won.

In La Florida District, current RN Deputy Gustavo Alessandri, who is a nephew of defeated rightist presidential candidate Arturo Alessandri Besa was unsuccessful.

Another unexpected triumph was achieved by RN deputy candidate Maximiano Errazuriz, who was elected to represent Puente Alto District in southern Santiago. Errazuriz defeated PDC Deputy Guillermo Yunge, a former Chamber of Deputies Foreign Relations Committee chairman. Even Chamber of Deputies President Jorge Molina from the ruling PPD was defeated in the neighboring port of Valparaiso, where the Congress building is.

At the senatorial level, the surprise was the defeat of Deputy Eugenio Ortega, who ran for senator and is married to Senator Carmen Frei, President-elect Eduardo Frei's sister. Concerning family affairs, Manuel Antonio Matta, one of President Aylwin's sons-in-law, was elected senator a little to the south of the region where Eugenio Ortega was defeated.

Elections Leave Composition of Congress Unchanged

PY1512170493 Madrid EFE in Spanish 1525 GMT 12 Dec 93

[Text] Santiago, 12 Dec (EFE)—The final election results that the Interior Ministry released today, 12 December, reaffirm the continuity of the balance of power within the Chilean Congress after the elections held on 11 December.

Compared with the elections for Congress in 1989, in the progovernment Coalition of Parties for Democracy in the Chamber of Deputies the number of Christian Democratic Party [PDC] seats dropped, Socialist Party [PS] seats remained unchanged despite the strong defeat expected for this party, and the number of seats for the Party for Democracy [PPD], the other Socialist party, increased remarkably.

In the opposition rightist coalition, the ultraconservative Independent Democratic Union (UDI) increased its seats, while the conservative National Renewal (RN) lost seats compared with the elections in 1989.

In the Senate, 18 members were replaced, nine from the Coalition of Parties for Democracy and nine from the right wing. Both groups maintained their number of seats, for which reason the government coalition continues to have a minority in the Senate.

CHAMBER OF DEPUTIES

PARTIES	SEATS (1993)	SEATS (1989)
PDC	37	41
PS	15	16
PPD	15	8
PR [Radical Party]	2	5
RN	29	33
UDI	15	14
UCC [Centrist Centrist Union]	2	—
Independent	5	1
Social Democrats	—	1
Dissidents within Coalition	—	1
TOTAL	120	120

SENATE

PARTIES	SEATS (1993)	SEATS (1989)
PDC	13	13
PS	4	3
PPD	3	2
PR	1	3
RN	11	13
UDI	3	2
UCC	1	—
Social Democrats	—	1
Independent	2	1
Designated	8	9
TOTAL	46	47

Finance Minister on GATT Agreement Reached in Geneva

PY1512181293 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1700 GMT 15 Dec 93

[Text] Finance Minister Alejandro Foxley said the agreement reached today in the Uruguay Round in Geneva guarantees access for Chile to all the international markets, with low tariff levels. The finance minister emphasized that the agreement reached in the Uruguay Round represents a change in the international economic arena after seven years of negotiations in which (?magic) was not absent when it seemed that protectionism was going to win:

[Begin recording] Nevertheless, I would say that this, in addition to NAFTA's approval, changes the future's prospects concerning the projections of the countries that are having success with their exports, the projections that they have for the next decades.

I would say that today we are extraordinarily optimistic about the possibilities offered by the international economy. [end recording]

Foxley added that the Uruguay Round agreement and Chile's entry into APEC [Asia Pacific Economic Cooperation] next year are events that guarantee investment potential through foreign investments and new jobs for our country.

Jaime Toha Sworn In as New Economy Minister

PY1512232593 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1700 GMT 15 Dec 93

[Text] During a ceremony at La Moneda Palace today Jaime Toha was sworn in as the new economy minister. The ceremony was attended by the entire cabinet and President Patricio Aylwin. Jaime Toha is also head of the Energy Commission with the rank of minister.

In a brief speech, President Aylwin highly praised Jorge Marshal, who leaves the Economy Ministry to assume his post as the Central Bank adviser. Aylwin said that in view of the little time left of his government he did not think it justified bringing a new face into his cabinet.

[Begin Aylwin recording] Very few times in the history of Chile, probably never, have we had a government with such a stable cabinet. [end recording]

Jaime Toha, the only member of Aylwin's government occupying two ministries, said he assumes this post at a time when the Chilean economic situation is extraordinarily positive.

[Begin Toha recording] The Economy Ministry was lucky, like all the other ministries, to have been headed by very capable ministers such as Carlos Ominami and Jorge Marshal who have done an excellent job. There is no doubt that the next government will inherit this sector in very good shape. [end recording]

Colombia

Legislators Protest Presence of U.S. Soldiers

PA1612013093 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 16 Dec 93

[From the "24 Hours" newscast]

[Text] A group of legislators today categorically rejected President Gaviria's invitation to the U.S. Government to send troops to Colombia. Here is a report by Miriam Ortiz:

[Begin recording] [Ortiz] There were strong reactions today to the presence of U.S. soldiers in Valle del Cauca Department for the purpose, according to the U.S. Embassy in Colombia, of carrying out assistance activities, such as repairing roads and constructing a school and a clinic.

[Senator Fabio Valencia] I see no justification whatsoever for them to perform humanitarian tasks in northern Valle del Cauca, which is one of the wealthiest areas in the country. I would understand it if they were going to fight malaria in Choco Department.

[Senator Hugo Castro] If there is anything in Valle del Cauca, it is a great road program being conducted by the Valle del Cauca Departmental government in coordination with the national government.

[Representative Jairo Clopatofsky] A short time ago, the U.S. ambassador interfered by requesting that the Search Bloc go to Valle del Cauca Department, supposedly to disband the Cali Cartel. Coincidentally, a U.S. base is being installed precisely in that area.

[Ortiz] The senators also argue that the principle of national sovereignty and the Colombian Constitution are being violated.

[Senator Jose Blackburn] The transit of foreign troops across national territory is prohibited. Only the Senate can authorize such transit, and the Senate has not been informed. If there are more than 100 soldiers, we have already seen such a movement take place. [sentence as heard]

[Ortiz] Presidential hopeful Gabriel Melo Guevara sent a letter to President Gaviria this morning warning him that the presence of U.S. troops runs a high risk of turning our territory into a Vietnam. [end recording]

For his part, Tulua Mayor Gustavo Alvarez Gardeazabal, who has offered to mediate the surrender of the Cali Cartel, also expressed his opinion on the presence of U.S. soldiers participating in civic-military brigades in Valle del Cauca Department. Here is a report by Armando Jiron:

[Begin recording] [Jiron] Tulua Mayor Alvarez Gardeazabal today asked the departmental governor to lead a movement against the presence of U.S. soldiers in Valle

del Cauca. Good evening, Mayor. What is your position on the presence of U.S. soldiers in Valle del Cauca?

[Alvarez] It is the same position I have always held: I do not think Colombian territory, much less Valle del Cauca, should be sullied by the presence of U.S. Armed Forces. I think what is being planned is unusually serious. A problem that should not exist is being created. The second that the guerrillas come out to defend the country's territory because the constitutional forces are not doing so, and the second they attack those U.S. soldiers, the gringo forces will enter Colombia and we will have an invasion of the Marines based in Panama.

[Jiron] Might this be the result of Pablo Escobar's death?

[Alvarez] This is a result of the stupid way the gringos view Colombia. They have to start wars among the Colombian people because they are unable to wage the battle in U.S. cities against their own cocaine users.

[Jiron] That is the position of Tulua Mayor Gustavo Alvarez Gardeazabal on the presence of U.S. soldiers in Valle del Cauca. [end recording]

Activities Analyzed

PA1612014693 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 16 Dec 93

[Report by Javier Dario Restrepo from the "24 Hours Newscast"]

[Text] Joint exercises with the U.S. military have the full support of the Colombian Government, but they were not discussed with the Senate as ordered by the Constitution. We have an analysis of the affair. Each one of the following incidents produced more doubts than answers:

DEA airplanes nonchalantly flying through our airspace.

U.S. Marines at the bases in Leticia and San Jose Del Guaviare.

Radars installed in key points of the national territory and operated by U.S. personnel.

Planes overflying Medellin with electronic detection equipment.

The reactions have been rejection. The people of Medellin condemned the overflights. The pilots protested the arbitrary use of airspace. The DEA planes endangered airplanes carrying passengers.

Congress asked for explanations regarding the agreements supporting those activities, and the government alleged that they are agreements for counternarcotics operations. Finally, the U.S. Embassy issued a communique regarding the arrival of some social workers dressed as military personnel.

The explanation openly contradicts the facts. For instance, the U.S. Government's reaction to the Escobar's death was to urge actions against the Cali Cartel.

Another fact is the distrust expressed by U.S. Government spokesmen regarding the conditions for surrender of the Cali Cartel. There are fears of a possible repetition of the policy of concessions applied to the Medellin Cartel at La Catedral Prison.

Within this context, 150 U.S. soldiers cannot be seen as social workers but as counternarcotics agents who represent one step toward the application of the doctrine that allows the United States to take prisoners in foreign territories. It is also an expression of the U.S. distrust of the integrity and capacity of the Colombian Government and Armed Forces.

In this sense, more than building bridges, the U.S. brigade will be digging trenches.

Chilean Drug Trafficker Arrested; Wanted by U.S.

PA1512185993 Madrid EFE in Spanish 1730 GMT 15 Dec 93

[Text] Santa Fe de Bogota, 15 Dec (EFE)—Alleged Chilean drug trafficker Eduardo Francisco Quezada Ruiz, 34, was arrested yesterday in Barranquilla, capital of the Colombian Caribbean area, the secret police confirmed today.

The U.S. Government has requested the extradition of Quezada Ruiz, who is charged with having introduced and distributed 600 kg of cocaine in that country. The alleged drug trafficker arrived in Colombia in June of 1992 and will be extradited to the United States unless the Chilean Government files an extradition request first.

* Pastrana Declines Offer of Campaign Money

94SM0113A Santa Fe de Bogota SEMANA in Spanish 23 Nov 93 pp 42-43

[Text] The decision was not to be announced officially, and it was planned to keep it confidential. However, this secret was a hard one to keep in a presidential campaign, and as was to be expected, it leaked out. Andres Pastrana had made a decision not to accept one cent from the Santo Domingo Group for his coming presidential campaign.

In view of the fact that this campaign has not even begun as yet, and also because the future candidate has been criticized for having nothing to say to date, a decision of this sort was upsetting to many. The Santo Domingo Group and the Ardila Lulle Organization have in the past been the two principal sources of legitimate financing for the electoral campaigns in this country. All the candidates for the presidency, for mayoral and gubernatorial office, and for positions in all of the public bodies have begun their economic odysseys in the office of Augusto Lopez or Carlos Ardila. Practically all of them are given something, and the candidates of the traditional parties receive a great deal. The contributions from one of these giants to a presidential candidate begin

at a million dollars, and may go much higher. What is the logic, then, in a decision made by a presidential candidate, on his own initiative, not to accept financing from a group that might prove to be the most generous in the country?

Pastrana's advisers are not interested in discussing the matter, and will only say that beginning with the coming election, the state will finance a part of the presidential campaign, and that for this reason, the rules of the game in this area are changing. "The thinking behind government financing of the electoral campaigns is that it will give the candidates greater independence, and what Andres values most is his independence. He is independent of his father, independent of his party, and it is quite clear that he wants to be independent of the centers of economic power," one of the advisers who played a role in the decision told SEMANA. "The next government will have to make many choices regarding issues in the telecommunications, oil, television, tourism, and many other sectors with which this conglomerate will be involved, because its businesses are becoming increasingly dependent on the state. It is simply logical and sound for anyone who may become president to have no commitments that might limit his freedom of action." Pastrana's advisers say that this is exclusively a matter of principle, and they make it clear that there has been no conflict of any sort, and that on the contrary, relations are very cordial.

That is the official explanation. But the truth is that there may be something more behind Pastrana's decision. To begin with, while it is true that there is no conflict at the present time, just a short time ago there was. During the last Senate campaign, a misunderstanding occurred that led to a break in the relations between Andres Pastrana and the group. When funds were being solicited for the financing of this campaign three years ago, representatives of the group offered a contribution that Pastrana believed would be 40 million pesos in cash, and another 40 million in assistance from the CARACOL [Colombian Radio Network], a chain controlled by the group. Nothing was ever put in writing. Augusto Lopez had a different understanding of the offer. It was to be 40 million in all, with 20 in cash and 20 in assistance. It was never possible to resolve this difference of interpretation, and when Pastrana received the check for 20 million pesos, he chose to return it. As he had already contracted for assistance from the CARACOL worth 20 million pesos, Pastrana announced that he would cancel that account as well, and offered repayment in available time slots on the television news program "Hoy" ["Today"]. By that time, Julio Mario Santo Domingo had become involved in the dispute, and because he regarded the return of his check as an insult, he ordered that Pastrana be required to repay the 20 million owed the CARACOL in hard cash, and that in addition, interest be collected for each day of delay. Pastrana did not have the funds available, and after months of conflict and struggle, he finally offered to surrender his Mercedes-Benz automobile, license number AP-6987, in payment. This offer was accepted by the company, the interest involved being deducted from the debt.

This episode was extremely unpleasant, and from that time on, the supporters of Andres Pastrana and the Santo Domingo Group have kept their distance from each other. As a result, the younger Pastrana remained independent of the conglomerate when Augusto Lopez went to the Senate floor on the day parliamentarians who were friends of his challenged Minister of Finance Rudolf Hommes in connection with the accusation of tax evasion Hommes made against Bavaria. Pastrana was one of the few who voiced a criticism, saying that "the Congress has been privatized."

Months passed, and gradually the relationship between Andres Pastrana and the group thawed, at least on the social level. However, after two years of rather distant cordiality between the two parties, Pastrana and his right-hand man, Minister of Economic Development Luis Alberto Moreno, began to conclude that being independent of the Santo Domingo Group was yielding better dividends at present than its economic support would yield. They had noted the fact that when the payment of the CARACOL debt with the Mercedes-Benz became publicly known, there was a surge of public solidarity in favor of Pastrana. They had also noted how in the appointment battle in which the choice was between Juan Manuel Santos and William Jaramillo, the group decided to throw all its support to Jaramillo. This did nothing but benefit Santos and enhance the importance of his victory. But above all, they could appreciate how in the course of various political and business events, a growing concern about the dimensions taken on in Colombia by the Santo Domingo Group became palpable. This feeling is not one of personal animosity toward the head of the group, because everyone acknowledges that Julio Mario Santo Domingo is a great businessman. It is rather an institutional concern about the implications an economic phenomenon of this nature might have for the country.

This entire complex of factors led Andres Pastrana to the decision he adopted last week. This was without the slightest doubt a far-reaching political move. The first reactions have been favorable, seeming to indicate that Pastrana and Moreno had judged the attitude in certain sectors accurately.

Curiously enough, this action, if it had come from a leftist candidate, might have caused unease. But since it came from a right-wing candidate who believes in the private sector, it has been viewed more as a gesture of independence than an act of populism. However, the decision is not lacking in risks, both for Pastrana and for the country. In the final analysis, there are some who think that this episode, which has not had any repercussions thus far, and which has been handled on a high level, might develop into a real separation. This is something that cannot benefit anyone in a country unable to tolerate even one more conflict.

Ecuador

Emergency Program Planned To Offset Oil Revenue Losses

PA1512145093 Quito Voz de los Andes in Spanish 2300 GMT 13 Dec 93

[From "The Voz Andes Newscast"]

[Text] The Ecuadoran Government is drafting an emergency program to cut investments, fight tax evasion, and create new taxes to face the decrease in revenues caused by drops in oil prices. Monetary Board President Ana Lucia Armijos said today that crude oil will be sold this year at an average of $14.95 per barrel rather than at the expected official price of $17.00.

Oil prices are expected to drop to $12.00 per barrel in 1994. She added that each $1 drop in oil prices amounts to $90 million loss, and given that the price of oil is expected to be $12 per barrel in 1994, losses could amount to $300 million. Armijos pointed out that a tax reform is being drafted to generate funds to cover deficits created by drops in crude oil prices and to promote the restructuring of fiscal revenues.

Reports indicate that fiscal evasion in our country exceeds 500 billion sucres or about $248 million annually. Energy Minister Francisco Acosta recently said, without giving details, that the 1994 government investment budget of $400 million will be revised and reduced.

Vice President Alberto Dahik announced the adoption of a tax on business transactions for professional services and mechanisms to prevent companies from dodging taxes or from paying less than they should in the next few days.

Ana Lucia Armijos added that fuel taxes linked to variations in oil prices could be levied. She added that when crude oil prices drop, a progressive tax would be levied and when prices rise, the tax would decrease until it disappears.

President Unveils Emergency Economic Package

PA1612051593 Quito Radio and Television Networks in Spanish 0130 GMT 16 Dec 93

[Address to the nation by President Sixto Duran-Ballen, outlining the government's emergency economic package, in Quito—live]

[Text] Fellow citizens: The dramatic and unforeseen drop in the price of oil, our main source of revenue—an event that was beyond the government's control and impossible to predict sooner—demands not just from the executive but also from the entire country a package of measures to maintain control over the economy, and, in this way, we must implement proposals that benefit everyone. If, in the face of the grave crisis we inherited last year, we had not taken strong corrective measures, the inflation rate, which at that time reached almost 60 percent, would top 100 percent today. By the same token, if today we fail to react in a timely manner, our success in bringing the inflation rate down to 30 percent, as well as other advances we have made in organizaing the country, will be of no use to us, thereby undoing the Ecuadoran people's joint efforts toward true progress and the welfare for which we all hope.

This reality has been exacerbated by a series of requirements we have had to meet during the course of the year; requirements ranging from demands made by teachers, engineers, and doctors to the need to come up with the money for the country's share in obtaining international development loans, something that we could not not let go unused. We also needed to expand public investment, not bureaucratic spending, mind you, and now we are predicting expenditures of up to 1 billion sucres in 1994, which will mean greater services and jobs. All of this compels us to seek additional revenues.

This is not, however, a matter of saying the measures announced on 3 September 1992 did not work. Thanks to them, we did not merely lower the inflation rate, but we also lowered interest rates, allowing more people to have access to loans. Now, billions of sucres a year are going to large and small-scale companies. For the first time in decades, we have cut some 20,000 employees from the government payroll. To be sure, we paid these employees compensation and enabled them to join the production sector. We have not filled more than 15,000 unnecessary vacancies.

We have kept our pledge. We have kept our pledge by raising salaries above the rate of inflation. We have kept our pledge by stabilizing the exchange rate, something unheard of in 20 years. We have the greatest monetary reserves in history to back our imports—not just for the sake of amassing large reserves but to back those imports the country needs. Contrary to what has been said, we have not paid our commercial foreign debt because we are waiting for an overall renegotiation of it. We have sold the luxurious social buildings of public entities.

The Fise [Social Investments Fund], a service created by this government, last April began social projects and granted allowances. Others should not claim credit for this. To launch new child care programs, we are selling inefficient state enterprises, or state enterprises that are inconsistent with the state's priorities. We have closed private companies that failed to pay taxes. The confidence this government—my government—has made it possible to generate and execute loans that were suspended and it has paved the way for other projects, such as those earmarked for secondary roads in the Pacific area and the completion of the Panamerican Highway in Loja Province. We have already reported, in the country's newspapers, about the first phase of the bidding process and assessment of companies for this project.

Talks with the Brazilian and Argentinian Governments on roads, particularly as related to integration in Ecuador's Amazon River area, are under way. With actions I

have proven that the 1992 adjustment has yielded successful results. Consequently, those measures should not be described as inefficient. In view of the new and unexpected challenge, which has been recognized even by the political opposition, my government has not taken the easy, quick, and usual way. Let it be understood that we do not intend to raise the price of fuel and gas. We will not resort to issuing paper money; in other words, we will not use mechanisms whose harshest effects will be felt most by those least able to recover.

The trend in decreasing oil prices became so serious last week that I decided to order a review of a number of options, all of which should be imaginative and diverse, but without concentrating on a single field or reform. As a result of this decision, severe tax reform has been proposed. According to this proposal, citizens will pay taxes according to their true income. Ecuador, our country, needs it. The time has come to pay taxes realistically.

The revenue of public sector enterprises, with the exception of those received by municipal enterprises that render public services, are taxable. A minimum payment in advance has been created for the payment of taxes by private enterprises, a payment based on the enterprises' total assets after deducting the items stipulated by law. This will make it possible to exchange information, which will help reduce tax evasion, something everyone demands. This will not become an additional burden on those who do their duty by paying income taxes because this is the equivalent of 25 percent of the tax, based on a yearly yield of 4 percent on their assets. Enterprises and persons bound to keep accounting records are included in the measures so they can function as true tax withholding agents. Tax agreement has been incorporated as an additional form of determining this tax. Penalties on individuals or enterprises that fail to file tax returns have been made harsher.

The value-added tax rate has been raised. Certain imports and some local transactions have been tax exempted. An even greater number of services, such as professional services, have been taxed. Severe penalties have been established for withholding agents not registered at the single taxpayers registry, RUC, and those agents who fail to charge and report the tax to the detriment of the people, you, fellow citizens. The Finance Ministry has been authorized to apply modern systems to stimulate the preparation of invoices. Regarding the special consumption tax known as ICE [expansion unknown] we intend to change the taxable basis, which will now be based on the manufacturer's price plus a marketing margin. This tax now includes other items such as yachts, airplanes, luxury cars, and similar items. Tax rates on liquor and wine have been changed.

The reforms also include jail terms for withholding and collection agents who fail to file a tax return and pay the taxes—your taxes, fellow citizens—every three months. A closure penalty has been established for withholding agents who fail to report withheld taxes within 30 days. Fellow citizens, you should see the number of firms that use your taxes as working capital. Informal economic agents have been incorporated into the tax administration controls. The taxpayer's right to compensation for tax credits with interest has been established. The right to tax credit for amounts paid as value-added tax in the rendering of services has been established.

In favor of the middle classes, I have decided not to lower the taxable basis for those who earn as much as 300,000 sucres monthly, as it was wrongly and maliciously reported. Only those who earn in excess of eight million sucres yearly, or more than 666,000 sucres monthly, will pay income tax, regardless of their other reductions.

The tax on beer has been lowered. Beer is that popular drink that must have been consumed in large quantities during last Sunday's soccer matches.

Interest earned on investments made in constant-value units, UVC's, which have already begun to operate, are tax exempt. The tax on surplus oil production has been eliminated to permit greater revenue and production, at present discouraged by inapplicable taxes. In addition, we will increase even further the efficiency and control in tax collection.

We will cut unproductive spending. We will reduce international telephone rates. We will give priority to the social impact projects and accelerate the modernization process if Congress accepts the partial veto of this law.

We will not increase electricity rates so our production, particularly of crafts and industrial products, large or small, can compete on the international market.

By law, some of these measures require the decision of the National Congress. That is why I sent the tax reform bill to Congress today and conveyed a sense of urgency about it. We have been explaining it to the legislators for the past few days. We have opened a similar dialogue with businessmen and the media. We have also studied public opinion in the face of this situation and we have considered, to a great extent, the people's feelings about this package of measures. We had to do so. We regret that the FUT [United Workers Front] did not accept our invitation to a dialogue. It will have to be on another occasion.

Some people have criticized and formulated simplistic proposals without providing figures, much less explaining how they will be implemented. Fellow citizens, do not be surprised to hear them propose what they would not have had the courage to do if they were in the government and what they did not do when they held this responsibility in the past. This is not the first time this has happened.

More than ever before, it is time for seriousness, not for the demagoguery that had been so prevalent in this

country until I had to put a stop to it. Yes, we are putting a stop to it, even at the risk of losing momentary flattery and support.

I reiterate that all of us, not just one person or a single government office, have an obligation in overcoming this crisis. I trust in the patriotism of legislators and your understanding, fellow citizens, to make joint efforts in overcoming this new difficulty.

That is why we are not just thinking in the short term. With this proposal, we will proceed with a number of actions with which we will finally, finally [repeats] achieve a modern state, a state that is not dependent on a single product and is capable of achieving goals like those of nations which do not have petroleum, such as Costa Rica, whose president just visited us. In those nations, taxes are really paid and an effective and in-depth reform of the state, not just a sector of it, has been undertaken. I will continue to struggle for an honest and serious administration. Ecuador needs progress. We have begun to generate it. Fellow citizens, let us unite. Thank you.

Military Patrols Increased Near Oil Fields

PA1512215793 Quito Voz de los Andes in Spanish 2300 GMT 14 Dec 93

[From the "Voz Andes" newscast]

[Text] The government announced today that it has ordered increased military surveillance in the Amazon jungle to prevent Indians from hindering petroleum search and exploitation operations in the area.

A spokesman for Petroamazonas, the state-owned petroleum enterprise, said that at least two foreign companies operating in the area will carry out special activities in the next few days, thus the troops will ensure order.

The Maxus Company plans to sign an agreement with Guaurani Indians living in the area, and the Arco Company is planning several constructions projects there, thus the soldiers will help prevent unforeseen developments, the spokesman added.

Luis Macas, president of the Confederation of Indigenous Nationalities of Ecuador, Conaie, said the Indians do not oppose the extraction of petroleum but want rational exploitation. We want mechanisms to control the environment and the resources in the area to avoid damage from petroleum exploration and exploitation in other places, he added.

A REUTER photographer assigned to the Amazon area reported over the telephone that military patrols in the area have increased and that small aircraft have been denied access to the oil fields.

Parties Criticize Government Economic Measures

PA1512133093 Quito Voz de los Andes in Spanish 2300 GMT 13 Dec 93

[From "The Voz Andes Newscast"]

[Text] Reaction to the vice president's remarks on a radio and television network last night has been gradually coming out.

The Socialist Party of Ecuador [PSE] proposed a united people's response to the economic measures. The party called for an urgent meeting of social organizations and alternative political parties to respond jointly to the policy of aggression against the poor which has been established by President Sixto Duran-Ballen under the pretext of the oil crisis.

PSE Secretary General Victor Duranda Aguila said the government, devoid of any social sensibility, has again placed the weight of the crisis on extremely poor people, while the population's wealthy sector has not been forced to reduce the rate of its accumulation of riches in the least. The perverse strategy aims to sink the lower classes into misery, turn the middle class into poor people, and spare the swollen bank accounts of the richest people at home and of Ecuadoran tycoons abroad.

There was reaction in Congress also. Vice President Alberto Dahik's announcement of probable measures, which he made during the most recent radio and television network, have roused the country's political sectors. This is Republican Party deputy Alberto Cardenas:

[Begin Cardenas reporting] The vice president has not said the government will take new measures that will sacrifice the Ecuadoran people. Nevertheless, we have told him that fuel prices should not be raised at all because such a measure and others would set off an unstoppable inflation spiral, which would attack the Ecuadoran people's pockets. We told him it is necessary to collect taxes better. Only 15 percent of the population pay taxes. If taxes are raised, this percentage will decrease and the informal sector will increase. [end recording]

Cardenas also believes that the constitutional reforms have been drawn up with the Ecuadoran people's well-being in mind.

* Police Seize 22 Kg Cocaine, Capture Gang

94WD0114Z Quito EL COMERCIO in Spanish 10 Nov 93 p B-8

[Text] *After long months of investigation, the police implemented "Operation Green Gold," capturing this organization's ringleaders, and seizing large volumes of drugs and properties.*

Another drug trafficking organization operating in our country was eliminated, through the police operation designated "Green Gold." Drugs worth over 1.2 billion

sucres were confiscated, and the ringleaders and contacts of the ring known as "Versalles" were captured.

According to an official report from the General Police Headquarters, approximately 17 persons presumed to be members of that drug dealing organization were arrested at dawn on 5 November, in both Loja and Pichincha Provinces.

Included in the evidence seized during the police operations were 22 kg of cocaine hydrochloride, worth over $600,000 on the international market, as well as four vehicles and various real properties owned by the "Versalles ring."

According to the police general commander, (Army) General Efrain Galarza Silva, after several months of police investigation it was learned that "the Ecuadorian drug trafficking group was headed by Felix Edmundo Cueva Torres. Its members were planning to procure drugs from Colombia and Peru, so as to sell and deliver the illicit shipment in Guayaquil, and, later, transport it to the United States for marketing."

The "Versalles ring," headed by Felix Cueva (according to the police), was in contact with Ecuadorian drug dealers in Loja, particularly Franklin Coronel, owner of a ranch on the outskirts of Cariamanga.

Coronel, who was shot to death in an armed confrontation with police, reportedly offered to deliver 200 kg of cocaine hydrochloride to the "Versalles ring." However, since that delivery could not be made, the organization contacted a Colombian woman, Ruth Carreno, who promised to bring a drug shipment to Quito for subsequent transport abroad.

According to the report, police intelligence learned that the drugs were to arrive at a machine shop in Quito, where they would be camouflaged in a specially outfitted vehicle for shipment to Guayaquil.

A security team was to be assigned to guard the shipment until it reached the country's principal port, from which it would be sent to the United States.

Special police forces were deployed in the Pinar Alto section, surrounding the machine shop; and, once the merchandise was detected, they took action to seize it, as well as the persons transporting it.

While this was occurring in Quito, a police contingent (including members of the Intervention and Rescue Group) entered Franklin Coronel's ranch in the vicinity of Cariamanga. The police report adds: "After identifying themselves as members of the National Police, they told Coronel to come out of his house and surrender peacefully. But he confronted them, and was brought down by the law enforcement personnel."

When the ranch was searched, an unspecified quantity of chemical precursors, such as potassium permanganate, was found, as well as implements for processing drugs and a nine mm Glock pistol.

The police claim that, as a result, this organization of Ecuadorian drug traffickers was completely dismantled, because the suppliers, middlemen, and carriers, and the mechanic engaged in the camouflaging, were arrested. Moreover, the individual serving as a carrier, who was assigned to the drugs' security from Quito to Guayaquil, has been fully identified; hence, his imminent capture is assured.

The investigation of the "Versalles ring" is continuing, with the cooperation of investigative agents representing the Public Prosecutor's Office, thus ensuring the propriety of the police procedures.

Included among those under arrest are the following persons, presumably implicated in drug trafficking activities: Luis Fernando Coral, an associate of the drug carrier; Estuardo Rodrigo Montenegro Zuniga, owner of the machine shop where the drugs were delivered; Bertha Ludena Gonzaga, wife of Felix Cueva; Felix Edmundo Cueva Torres, chief of the organization; Cesar Augusto Andrade Cueva, Mercedes del Carmen Carreno, Edgar Alfonso Castro Castro, Fernando Rodrigo Cueva Torres, and Victor Edmundo Cueva Ludena.

[Box, p B-8]

A Large Shipment

The "narcos'" ingenuity became evident once again when the police discovered 22 kg of packaged drugs inside a gasoline tank cleverly connected to one of four vehicles now in police custody.

Today, the National Police will make a tour of the real properties owned by the "Versalles ring" in Quito, to check the evidence obtained through "Operation Green Gold."

The sites to be visited include: the residences of Felix Cueva and Cesar Andrade, and the commercial premises known as "Versalles" and "Markettres," in the capital's downtown area. It was reported that the designation "Versalles ring" originated in the first-named business establishment, owned by Felix Cueva.

It was announced that the final report would be sent to the pertinent authorities for the respective prosecutions of those under arrest.

The police are still on the trail of other drug trafficking organizations in our country, the capture of which, according to the official report, "is just a matter of time."

Peru

President Supports Military Justice System

PA1412184093 Lima Global de Television Network in Spanish 0100 GMT 12 Dec 93

[From the "Global TV News" newscast]

[Text] President Alberto Fujimori has expressed his support for the Supreme Council of Military Justice [CSJM] through its President Roberto Duvoc. A day earlier, Fujimori had expressed his support for Army Commander General Nicolas de Bari Hermoza Rios. The chief of state made these remarks in Iquitos, where he traveled to inaugurate the Army's military justice complex in this jurisdiction, at a time when the Armed Forces are being criticized over the La Cantuta incident.

It is expected that the opening of the military justice complex of Iquitos will consolidate the decentralization of the military justice system, as has been the case with the civilian justice system through the establishment of judicial districts. Such a complex will integrate the operations of the 5th Judicial Zone of the Army, the National Police, the Navy, and the Air Force that until recently functioned separately in downtown Iquitos.

CSJM President Roberto Duvoc pledged that his institution will keep working hard to ensure no crime goes unpunished. He said that 274 people have been sentenced to life in prison so far.

Meanwhile, President Fujimori pointed out the contributions of the military justice system to the national peace process and voiced his support for the head of this organization, Vice Admiral Roberto Duvoc.

[Begin Fujimori recording] During this emergency period, the CSJM has been tasked with handling all terrorist cases. We could not let the civilian judicial system, characterized until recently by slow action, handle such cases, thus risking that society would remain exposed to terrorism. [end recording]

Later, the chief of state visited the 42d Air Group to commemorate, along with Jose Nadal Paiva, commander general of the Peruvian Air Force, the 30th anniversary of this institution.

Roundup of Economic Developments Through 14 Dec

PA1412180793

[Editorial Report] The following is a compilation of reports on Peruvian economic developments monitored through 14 December. Source is cited in parentheses following each item.

According to National Statistics Institute Director Felix Murillo, in November inflation reached 1.6 percent. The accumulated inflation rate this year is 36.6 percent. He added that the GNP increased 6.6 percent during the first 10 months of 1993 compared to the same period in 1992. (Lima Global de Television Network in Spanish 0100 GMT 2 Dec 93)

Economy and Finance Minister Jorge Camet has confirmed that the country has experienced 7 percent economic growth this year. He added that inflation is completely under control and that the accumulated inflation rate this year will be less than 40 percent. On another subject, he said he personally believes Peru should extend for one more year its temporary withdrawal from the Andean Group. (Lima Radio Programas del Peru Network in Spanish 1800 GMT 2 Dec 93)

The president of the Peruvian Telephone Company (CPT) announced on 9 December that this enterprise will be privatized through a public offering on the stock exchange on 31 January 1994. He said this after signing an agreement via which the CPT will receive $30 million from the Continental Bank to improve its services. (Lima Global de Television Network in Spanish 0100 GMT 10 Dec 93)

On 11 December the Peruvian Congress authorized the government of President Alberto Fujimori to use $2.7 billion to pay the country's foreign debt, estimated at $22 billion. In November, President Fujimori announced his government will honor the country's debts with international financial institutions. The Legislative Assembly established a maximum of $100 million for local governments for development and community services, which must be approved by the central government. In his presentation to Congress, Finance Minister Camet said the government will give priority to reducing extreme poverty, which affects more than 50 percent of the 22 million Peruvians. Toward that end, it will assign $150 million for food assistance programs. He added $1.14 billion were earmarked for wages in the Education, Health, Security, Interior, and National Defense Ministries. Camet also announced the national peace plan will receive $190 million. (Mexico City NOTIMEX in Spanish 1951 GMT 11 Dec 93)

The state news agency ANDINA has announced that the San Antonio de Poto gold mine in Puno Department, which belongs to state-run enterprise Minero Peru, will be privatized in an international auction during the first months of 1994. (Madrid EFE in Spanish 0249 GMT 13 Dec 93)

Venezuela

Court Ruling Allows Former President Perez To Leave

PA1512172293 Caracas Venezolana de Television Network in Spanish 1650 GMT 15 Dec 93

[From "The News" newscast; monitored in progress]

[Text] ...at a plenary session which was not attended by [Supreme Court] President Gonzalo Rodriguez Corro, has rejected the prosecutor general's request to ban [former President] Carlos Andres Perez from leaving the country.

Meanwhile, the following are testifying in relation to the case of the 250 million bolivares: Oscar Barreto Leiva, former manager of the Miraflores Palace; Carlos Vera,

manager of the Interior Ministry; and Tirso Ramos, former manager of the Ministry of the Secretariat of the Presidency.

President on Election; Awaits U.S. Decision on Oil

PA1512150793 Caracas Venezolana de Television Network in Spanish 1550 GMT 14 Dec 93

["Exclusive" interview with acting President Ramon J. Velasquez by Cecilia Pachano at Miraflores Palace in Caracas; from "The News" newscast—live]

[Text] [Pachano] President Ramon J. Velasquez is here with us. The eighth constitutional president of this democratic period is to be proclaimed today. Some have called Caldera's election a victory for the people, but this is also undoubtedly a victory for you. How do you feel now that you formally fulfilled the first phase of the goals you set for yourself?

[Velasquez] I feel satisfied to have interpreted the will of the Venezuelan people to seek a solution to a long institutional crisis through democratic means, meaning, the vote. As I told you, I saw the event of 5 December not just as the election of the eighth constitutional president but also as a reaffirmation of faith in democracy that was going to dispel many questions and much skepticism. The presence of the Venezuelan people in all of the country's towns made that day extraordinary for me. During the visits I made, and in the constant television reports on what is happening in Barquisimeto, Maracaibo, Guayana...

[Pachano, interrupting] A great deal of effort has been made to improve our electoral process. Doubts, mainly during the vote count, arose again when it was over. What can you say about the charges about stacks of ballots that were discovered and political parties that feel the vote count for congressional seats has not been very honest?

[Velasquez] I have two things so say about this. I accept the statements of the officials who handled the process. I believe these officials, the officials of the Supreme Electoral Council [CSE] and the military who handled the Republic Plan are responsible citizens. There is one thing. Amendments to the law this year precisely avoided among other things the destruction of the ballots, as used to be done until last December's elections. Those ballots have to be kept there for 45 days. In addition, the participating political parties keep copies of the tally sheets. Some officials have said these ballots are discards. We are investigating anyway and I am certain the elections could have had its flaws, created by the implementation of new systems of circuits and lists. That is complicated. It was very complicated for me, really, amid that large number of squares, the repetition of faces, and colors. Imagine how it must have been for the rest of the country, since there was no instruction on the electoral amendments.

I believe... [pauses] I said yesterday this is a task that needs to be taken to the schools and high schools—to teach people how to handle those voting cards; teach people how to elect by lists and circuits; teach people to tell the difference between the legislative and executive powers. The same way Venezuela's history lessons have been forgotten in schools and high schools. There was a subject called civic instruction that was taught a very long time ago when I was in school. This taught people the state's and country's structure, but in a very simple form, to make people who do not even graduate from high school understand, which is most of the country. This should be a normal subject, in other words, even if no elections are pending.

[Pachano] In other words, we have to once more work to mold citizens, as Simon Rodriguez used to say.

[Velasquez] Exactly. Look how the founding parties simplified this problem—Democratic Action, Copei [Social Christian Party], URD [Democratic Republican Union]—in 1947, which was really the first time there were elections. They solved the problem using colors. People did not really know who the candidates were; instead, they voted according to the color. The color simplified the task. You could vote black, white, greeen.

[Pachano] But with all these parties a rainbow would be needed, and we would still be short of colors.

[Velasquez] Oh, yes.

[Pachano] Mr. President, how is the transfer of power proceeding?

[Velasquez] Imagine, 48 parties.

[Pachano] And who knows how many regional organizations? Mr. President, to end this prelude to the news, how is the transfer proceeding, with only two months to go? How are the meetings with the liaison commission going?

[Velasquez] Very well. Julio Sosa Rodriguez has been appointed by Dr. Caldera to start this work. He has been doing this methodically, rigorously. I asked Energy and Mines Minister Alirio Parra to accompany him to Washington to explain to the U.S. Government—the State Department, the White House, the energy commission, the environment commission, and the senators—that Venezuela has an oil policy, and that there are no changes to the defense of our oil policies by the mere fact of a change in administration; instead, there is a national oil defense policy. Minister Parra and Dr. Sosa Rodriguez did an excellent job.

In a few hours we will know the decision of the U.S. commission. In the event it goes against us it means that starting 1 January 1995, Venezuelan oil would lose a daily quota of 50,000 barrels. We are fighting; we have conveyed all Venezuelan arguments very categorically, very seriously.

[Pachano] But the U.S. ambassador said yesterday that they are willing to cooperate with Venezuela to prevent any harm. They even said that if the decision takes effect in 1995 there was still a period...

[Velasquez, interrupting] Yes, the decision may be changed within the year if it is not favorable. There we have, among other things, the struggle of U.S. oil interests against Venezuelan oil. This goes back a long time. Precisely, all these years Julio Sosa Rodriguez has been Venezuela's envoy, defending our oil's advantageous position.

Gaviria Congratulates Venezuelan President-Elect

PA1512161693 Madrid EFE in Spanish 2056 GMT 13 Dec 93

[Text] Caracas, 13 Dec (EFE)—Colombian President Cesar Gaviria today sent a congratulatory message to Rafael Caldera upon his victory in the 5 December Venezuelan presidential elections.

"Upon returning from Santiago de Chile, where I was on an official visit, I want to reiterate, on behalf of all Colombians, what I relayed during our telephone conversation, that is, my special congratulations on the outcome of the election, which has made you for the second time in your political career the president-elect of the fraternal Republic of Venezuela," Gaviria asserted in his message. "It gives my fellow countrymen cause for joy to verify the full validity of the Venezuelan democratic system, which was renewed in the election, he added. [no closing quotation mark as received]

Former President Caldera (1969-74) won the Venezuelan election with the support of National Convergence, a group of 17 political organizations. He defeated, with 30.45 percent of the votes, 17 presidential candidates.

In his letter, Gaviria noted that "our two countries share the same history and, more united than ever, turn to the future, thanks to the successful integration, which we have established with so much dedication and which we must further. I want to reiterate my firm commitment and of course that of my associates to work with you and your future government on all the issues that will help strengthen ties of friendship and cooperation between our two nations," Gaviria said. The Colombian head of state expressed his conviction to Caldera that "with your acknowledged expertise and God's help, you will know how to lead Venezuela to well-being and progress."

Velasquez' Holiday Greeting to Armed Forces

PA1612034993 Caracas Venezolana de Television Network in Spanish 1242 GMT 15 Dec 93

[Speech by President Ramon Velasquez to the Armed Forces marking the Christmas and New Year holidays during a ceremony at the Federal District and Miranda State Military Garrison at Paseo de los Proceres in Caracas—live]

[Text] Mr. Vice Admiral Defense Minister; Mr. Major General Inspector General of the Armed Forces and other officers of the High Command; Director of the Central Information Office of the Presidency of the Republic; Officers, noncommissioned officers, cadets, troops, and civilian personnel of the Armed Forces; Representatives of the media; Ladies and Gentlemen:

It is a tradition for the head of state and commander in chief of the Armed Forces to visit the armed institution in these final days of the year. That tradition is especially important this year when the national scenario has changed and, by the joint will of the people and the Armed Forces, a new constitutional period is beginning not only with the renovation of all its representatives but with the action, presence, and definition of the Armed Forces.

This bright, beautiful day sets the stage to reaffirm the conviction that in Venezuela there must be hope for all Venezuelans; a hope guided by peace, understanding, and the desire to reaffirm all accomplishments made throughout these decades and to see that Venezuela maintains its development in all walks of life; that is, in the institutional, economic, and social areas.

I want to begin my salutatory message to the Armed Forces by expressing my recognition of the soldiers in the Venezuelan Armed Forces who have gone into retirement. I want to salute these former servicemen for their support and presence in the ranks of professional troops. I also want to salute cordially the cadets and ensigns, as well as guardsmen of the Armed Forces's schools. They represent the magnificent continuity of an institution that founded the Republic and played a key role in the great days when Venezuela had influence on the continent to create republics where formerly there were colonies, to provide them with institutions, and to preside over the magnificent group of Simon Bolivar, Antonio Jose De Sucre, Juan Jose Flores, and Rafael Urdaneta.

I also want to salute those young officers to whom I was honored to present their diplomas in the initial days of my administration for successful completion of their academic work. Those individuals then joined the officer ranks as sublieutenants or ensigns. I want to salute the lieutenants and the frigate commanders, who begin this career of responsibility, sacrifice, and permanent presence in the fatherland's difficult hours. I want to salute the captains and frigate commanders. I also want to salute those who form the ranks of higher-echelon officers; namely, the majors, lieutenant commanders, lieutenant colonels, and frigate captains, because command is in their hands as part of the magnificent process observed carefully by the institution in which promotions are fulfilled rigorously and exemplarily. This is an incentive to maintain the basic line of succession of the institution.

Right now the lieutenants, colonels, and frigate captains, the colonels and warship captains, they all represent the

confirmation of institutional discipline, a complete surrender to the best Venezuelan cause, an identification of the country's destiny and of that exemplary disposition that entails rescuing the most lauded national values: ensuring equality and national peace. In this fine hour, the body of officers that includes brigade and division generals, rear admirals, and vice admirals has done a tremendous job. They stood firmly behind the country's institutional tradition in very difficult times. In addition, as a result of their having been main actors in those pressing moments, I must emphasize the importance of maintaning national peace during those critical months and ensuring that the democratic institutions were able to fulfill the role assigned by history and the Constitution.

I would like to pause for a moment to emphasize the extraordinary job done by the military high command and by all who accompany them in the tasks during difficult months, days, and hours. Finally—and I can say it before the nation— their commitment was firm and clear. During the permanent sessions we held during these past months and days, I received the most categorical and open support for the country's democratic destiny from those men who represent the will of all high- and low-ranking officers. I was able to establish a rapport with them.

Due to legal constraints, this institution is barred from being a deliberative body [cuerpos deliberantes], yet in all its features, the officers corps currently represents one of the most distinguished professional elites in Venezuela. First, their academic requirements are extremely rigorous. Second, the fact that they are present throughout the country solving difficult situations every day allows them to get to know every stratum of Venezuelan society. Third, there is a permanent file where accomplishments and failures are recorded as a path toward promotion.

I would also like to commend the conduct of Defense Minister Vice Admiral Radames Munoz Leon, who clearly and efficiently cooperated in his role as National Armed Forces [FAN] political leader within the government cabinet. He also provided valuable input toward solving the country's internal conflicts as well as permanently and enthusiastically supporting the decisions made by the government related to all issues, not necessarily military matters. Nevertheless, his principal objective was aimed at solving social problems confronted by the country during these past few years and where the FAN, through the Defense Ministry, provided adequate solutions.

On this day, I also want to send my regards to the noncommissioned officers, sergeants, and technical instructors who work in a quiet and exemplary manner in the four military corps. I want to send my regards to the retired officers. I have cooperated with many of them in different periods and have helped them carry out their very difficult tasks. I value the retired officers for their permanent and devoted interest in furthering both the military institution as well as Venezuela.

I want to send my regards to the civilian personnel in the Armed Forces and the Catholic Church representatives, who cooperate by instilling moral values in the soldiers. I send my regards to all National Guard, Army, Air Force, and Navy officers guarding our borders. They defend national sovereignty in areas where only their presence indicates the presence of the fatherland.

I also want to send my regards, as a Venezuelan and as head of state, to the officers in prison, who are also part of the institution. I take this opportunity to invite the officers in Peru to return to the country and amend their situation. The Constitution, government institutions, and Armed Forces themselves afford those individuals guarantees that their trials will be just.

I want to state that the higher studies institutes of our National Armed Forces have made a tremendous contribution to the study of our country's problems. The Institute of Higher Studies for National Defense and the Security and Defense Council have striven to study national problems and to present effective solutions. Their efforts have been geared toward getting the country, through the organization and study of problems, to end that period in which the government's actions were marked by personalism and substitute it with institutional norms and compliance with the programs defined by studies.

As I said at the beginning of this salutation, a new period is beginning in Venezuela. It will be a difficult period. We need to have unity and to reach a national agreement to erase old differences. We need to open new roads and benefit from the restoration of the ethical values that we are promoting. I have seen the FAN make extraordinary efforts in that regard; that is, toward the rescue of our ethical values. It has worked to end the period when principles were distorted and group opportunism modified the essence of our institutions.

The country will confront a difficult period; one of serious fiscal and social problems. We will not be able to solve them if all the country's leading sectors do not come together to reach a national agreement that will allow us to find rewarding peace and economic development focused on the Venezuelan man.

Leaving the gigantic plans of the past behind us, we now have to deal with the most gigantic tasks of all: the payment of the social debt, taking care of the Venezuelan man, the Venezuelan family, and avoiding social imbalances that could do away with this century's achievements of political peace and economic and social development, which Venezuela has attained thanks to the efforts of the FAN in ending the civil wars at the turn of the century.

In the Armed Forces I salute the best Venezuelan tradition, the tradition reaffirmed in the ideals that were marked by the work and presence of great generals such

as Simon Bolivar, Sucre, Flores, Urdaneta, and Paez, who were the founders of the Republic. They represented the very essence of the people, born of the people, as are the members of the FAN. They are from the villages, the towns, and the provinces. They contributed to that magnificent determination of the liberator army. That is the tradition that cannot be erased, that cannot be destroyed. Venezuela is here.

I convey my deepest wishes for your individual happiness, for the happiness of the families of each one of the officers in the various branches of our professional troops, the noncommissioned officers, civilian personnel, retired officers, and my best wishes that 1994 can be a year of progress, peace, harmony, and national unity. Have a good day. [applause]

Roundup of Economic Developments Through 14 Dec

PA1412180893

[Editorial Report] The following is a compilation of reports on Venezuelan economic developments monitored through 14 December. Source is cited in parentheses following each item.

The Central Bank of Venezuela (BCV) has reported that accumulated inflation to November totalled 40.9 percent, while November monthly inflation was set at 3.6 percent. During the same period last year, accumulated inflation amounted to 28.9 percent, substantially less than this year's rate. Last October, the inflation rate reached a record high for recent years, totalling 5 percent, which, according to the BCV, was due to the implementation of the value-added tax. (Hamburg DPA in Spanish 1313 GMT 2 Dec 93)

On 7 December, Venezuela collected some $85 million from the sale of treasury bills on the Austrian market. These resources will be used to increase the National Treasury's cash flow and to meet budget commitments. The treasury bills, issued in Austrian schillings, have a two-year maturity term and an annual interest rate of 8 percent. This financial operation was supported by Austrian and German banks. (Caracas EL GLOBO in Spanish 7 Dec 93 p 16)

Drugstore owners and pharmacists report that medicine prices have increased at a monthly rate of 4 to 5 percent this year. The sources added the monthly increases were bolstered by the implementation of the value-added tax. Meanwhile, the president of the Venezuelan Chamber of Pharmacy said the continued increase in medicine prices will depend on the policies of the government of President-elect Rafael Caldera. (Caracas EL GLOBO in Spanish 11 Dec 93 p 45)

Carmen Elena Dominguez, general director of public finances in the Finance Ministry, has reported that the Republic of Venezuela has successfully wound up its refinancing program for 1992 and 1993. She added that the government has the necesary resources to cover the refinancing program for 1994. She concluded that as scheduled on 18 December the Finance Ministry will instruct the Central Bank of Venezuela to pay the interest on ordinary debt-conversion bonds as part of the Brady Plan. This interest is scheduled to mature on 20 December, totalling approximately 14.341 billion bolivares. (Caracas EL UNIVERSAL in Spanish 11 Dec 93 Section 2 p 13)

Accumulated foreign investment dropped this year by 47.9 percent, going from $557.22 million last year to $267.09 million this year. This significant drop was reportedly promoted by political events in 1993 and the uncertainty surrounding the elections. The Foreign Investment Superintendency reported that "The expectations surrounding the outcome of the electoral process also contributed to that slowdown in foreign investments coming into the country. Nonetheless—and this is fundamentally due to the pre-Christmas shopping season—comparative indicators between October and November showed a 32.5 percent increase in foreign investments in Venezuela, going from $6.4 million to $17.51 million." [figures as published] (Caracas EL UNIVERSAL in Spanish 12 Dec 93 Section 2 p 1)

Colombia Signs Commercial Accord To Aid Farmers

PA1412031593 Caracas Venezolana de Television Network in Spanish 1550 GMT 13 Dec 93

[From "The News" newscast]

[Text] The new commercial opening will benefit farmers. Colombia and Venezuela have signed an agreement that paves the way to improving crops and reducing losses. Crops such as rice, corn, and cotton registered annual losses of up to 30 percent as a result of uncontrolled plagues. Now, with the signing of this commercial agreement between Colombia and Venezuela, farmers will have access to a greater variety of products to improve their crops.

The first stages of this agreement, which is called the New Agricultural Force, will be implemented in Turen, Acarigua, El Vigia, Calabozo, La Victoria, and Barquisimeto.

Guyana

Goverment Considers Options Regarding U.S. Firm

FL1612000393 Bridgetown CANA in English 1927 GMT 15 Dec 93

[By Colin King]

[Text] Georgetown, Guyana, Dec 15, CANA—The Guyana Government is considering a proposal that it cede a bauxite ore deposit to a U.S. company to settle a 14 million US dollar debt incurred by the state-owned bauxite industry here.

Green Construction Company has given the government the option of paying 12 million US dollars or give it the block five area in eastern Guyana, which holds an estimated 21 million tonnes reserves. The area sought by Green, whose investment in Guyana is federally insured, is seen by industry officials as an essential part of the reserve held by the state-owned Berbice Mining Enterprise (Bermine).

But Prime Minister Sam Hinds, who has responsibility for the bauxite industry, has indicated alternative proposals will be made to Green by yearend, and stressed that the issue has political implications.

Green, which has conducted overburden removal and mining on a contractual basis for the local bauxite industry, is insured by the Overseas Private Investment Corporation (OPIC), a US Federal Government agency which would have to compensate the company if it fails to settle with the government here. The previous administration acquired the debt when it restructured the Guyana Mining Enterprise into two entities—Linmine and Bermine.

"(We are) between a rock and a hard place. There is no easy choice in this matter," Hinds said in a comment broadcast Wednesday by Guyana state radio. "To concede what Green is asking for in exchange for the debt is quite a big thing, but also to face the prospect of an award by OPIC to Green is also quite a big thing for us. It could be quite costly to us in many, many ways," Hinds said.

The opposition-aligned "NEW NATION" newspaper reported that Hinds told a meeting of directors of bauxite entities here at the weekend that "American law would mandate the immediate cessation of all US aid and accommodation with Guyana, save and except the most desperately needed humanitarian aid".

Hinds said there are some alternative offers the government might make to the US company. "One offer we might make to them is ... we will assign the ore body to you but immediately you must assign Bermine as the contractor to operate the ore body.

"Another kind of possibility is that ... we assign it to you but we will continue operating, selling as best we could. If you see better prices, you could sell it ... and get better prices and the prices above a certain base cost figure would be put to an account that will accrue to pay off the debt. There are a number of possibilities still being talked about," Hinds said.